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ABSTRACT

The poor state of the Lithuanian economy has led to a diminishing number of jobs and growing number of unemployed. Statistical data make it evident that the poor standard of education is one cause of unemployment. Stages of vocational education and training (VET) are initial, secondary, and postsecondary. The state oversees operation of education institutions. Education at state and municipal levels in general education, vocational, and college-type schools is free. Higher education is free for students with top-level grades. While the first stage of educational reform focused on building the labor market training system, the second involves increased investment in VET reform and coherent reorganization of the system. Special aspects include VET quality improvement, development of vocational training and career guidance, and teacher training improvement. Areas of human resource development are continuing education, manager and administrator training, and civil servant training. The increasing interest of other countries in the reform process has taken concrete form in bilateral and multilateral projects. Germany has provided tremendous support in development of the initial VET system; many contacts have been established with Denmark, Norway, Sweden, Finland, and Canada. (Appendixes include a list of acronyms, glossary, 30-item bibliography, and 6 diagrams.) (YLB)

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ED 445 231

Report on the vocational education and training system

NATIONAL OBSERVATORY COUNTRY REPORT

Lithuania

1999

This report was produced in the context of the
National Observatory Network
established by the European Training Foundation

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Tacis

Vocational education and training as a tool to ensure social and economic cohesion

Lithuania
1999

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Preface

The National Observatory country report "Vocational education and training as a tool to ensure social and economic cohesion " is the third in the series of annual reports produced since 1996. This report presents the main result of the activities of the National Observatory in 1999. It was prepared with the methodological and financial assistance of the European Training Foundation.

The objective of this report is to provide all interested institutions and persons with objective and focused quality information regarding the vocational training system and its links with labour market in Lithuania, to highlight the major problems of the reform process and to analyze further development perspectives. The review of the social and economic processes helps to highlight current and forecast potential constraints during the implementation of the foreseen reform of the vocational education and training system.

The preparation of the report would not have been possible without the support and valuable contributions received from a large number of individuals and organizations.

The statistical data has been taken from the databases and publications of the Department of Statistics to the Government of the Republic of Lithuania, the Lithuanian Labour Exchange and the Lithuanian Labour Market Training Authority.

The report has benefited greatly from the constructive criticism and advice provided during the up-dating stage of its preparation by the members of the National Observatory Steering Committee.

The team was assisted in background information and statistics during the drafting of the report by experts from the Ministry of Education and Science, the Ministry of Social Security and Labour, the Lithuanian Free Market Institute, the Methodical Centre for Vocational Training, and Vytautas Magnus University.

Thankful for all support that they have received, the authors assume full responsibility for the opinions expressed in the report.

The team of the National Observatory in Lithuania would like to hope that this report will be useful for all those interested in vocational training in Lithuania and those who care about its future.

Executive summary

The power of a state depends, to a large extent, on the ability of its people to act independently and, for this reason, the increasing share of the private sector in Lithuanian gross domestic product (GDP) is a cause for rejoicing. Today, individual private enterprises constitute 73% of all small enterprises and the private sector employs 68.4% of all employees. On the other hand, the development of small and medium-sized business is impeded, as was the case last year, by a huge tax burden, lack of initial capital, bureaucracy, unfair competition and a flawed and often changing legislative framework.

The constantly declining share of the economy held by processing, agriculture and trade, and the expansion of the construction, real estate, power and water supply, education, health care and state administration sectors has meant that there has been a significant shift in employment from manufacturing to services.

The poor state of the economy generally, which has been exacerbated by the Russian crisis, has led to a situation where the number of jobs is diminishing and the number of unemployed is growing. From the statistical data available, it is evident that the poor standard of education of the population is one of the causes of unemployment. The state must, therefore, pay particular attention to education and ensure proper learning conditions and a high quality of education.

In June 1999, the priorities of Phase II of the 1999 - 2001 education reform programme were approved and the means for their implementation were put in place. These priorities were: modernisation of education and studies; improvement of the quality of education; improvement of training conditions for social pedagogues; and harmonisation of the education system. It is intended to phase in changes in the general education system over a ten-year period. As was the case last year, higher schools are the most popular. The prestige of college-type education has increased considerably and the higher schools increasingly see their future in the non-university higher education area. The number of applicants to vocational schools is growing, although slowly. Analysis of the supply of teaching materials to schools would indicate that the state does not pay sufficient attention to the needs of vocational and college-type schools.

The vocational education and training system consists of initial and labour market vocational training. Institutions of initial vocational training, i.e., vocational schools, of which there are 104, and college-type schools of which there are 70, are distributed fairly evenly nationwide. This cannot be said of education for the professions since 51 out of a possible 116 professions are taught in only one vocational school in all Lithuania. The programme for improving the quality of vocational institutions, which is currently under preparation, should ensure accessibility to vocational education and training within a particular geographical area to all persons seeking such education. Analysis of the most popular professions with the young shows, that most are also in demand on the labour market. A slightly different situation is found in agricultural schools, where the choice of specialities is very narrow and the fact that almost all graduates of certain agricultural professions register with labour exchanges causes considerable concern. Owing to the ethnic structure of the population, many vocational training institutions form groups of students who are taught in Polish or Russian. However, increasingly, students of nationalities other than Lithuanian choose to study in Lithuanian-speaking groups. Due to the rapid economic and social changes in society, the number of socially and pedagogically neglected children is increasing, as, also, is the number of students who quit school for different reasons. In December 1998, the Law on Special Education was passed and is due to come into force on 1 September 1999, and, in 1999, the Programme for Creating Social and Pedagogical Learning Conditions for Children was approved. These two initiatives demonstrate the efforts of the state to solve the current problems.

Ever since restoration of independence in 1990, the state has paid considerable attention to the development of vocational training of the unemployed. The main goal of the Lithuanian Labour Market Training Authority, established in 1992 under the Ministry of Social Security and Labour, is to develop and organise vocational training of the unemployed. This is, at present delivered, in a total of 13 labour market training centres and 40 other training institutions. Insufficient attention has been paid to education of the employed and a general strategy for continuing vocational education of the employed has, thus far, not been developed.

Pursuant to the Law on Vocational Education and Training, the Ministry of Education and Science is required to ensure vocational education at general education and vocational schools, while the Ministry of Social Security and Labour is obliged to organise vocational guidance and counselling of both adults and young persons outside schools. As of today, the guidance and counselling of young people is organised better.

At state level, the responsibility for development of the vocational education and training system lies with two ministries: the Ministry of Education and Science for initial vocational training; and the Ministry of Social Security and Labour for labour market training. The Vocational Education and Training Council has an advisory role on strategic issues. The county vocational education and training councils, which have already been established in all the counties, are responsible for assessment, consultation and coordination of issues concerning vocational education and training. Fourteen consultative bodies have been established to advise on issues concerning the development policy, each in a specific branch of the economy, and to participate in the development of training standards.

Curricula are being developed which will have the main part uniform and applicable nationwide and the optional part, dealing with ways and forms of organising pedagogical activity, approved programmes and textbooks etc., determined at local level. The virtual absence of research activity in the different sectors, the passivity of employers, and the lack of resources are the main obstacles to the development of the vocational education and training standards.

The legal basis and structures for the social partners' participation in management of vocational education and training are already in place. Unfortunately, their input is minimal and especially so in the case of the trade unions. Paradoxically, it is the schools that are looking for ways to involve the social partners in the vocational education and training system, not the other way around.

With regard to future prospects, it must, first of all, be recognised that the state budget for 1999 was based on unreasonably optimistic projections of economic development. As of today, the budget has not been implemented and funding cuts in all areas of the economy must be expected. Consequently, it will be difficult to implement many of the planned tasks. On the income side, the deteriorating economic situation means that enterprises' income is decreasing, thus further depleting state budget and Employment Fund revenues and causing a knock-on negative impact on the financing of vocational education and training.

In conclusion, the situation can be summarised as follows:

- the structures and quality control system and cooperation between the relevant ministries must be improved;

- there must be more active participation of the social partners; and
- there must be a sustained commitment to the ongoing improvement of the education system, in line with the continuing evolution of society.

"A minute when we do nothing is an extremely dangerous minute."

Stasys Lozoraitis

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1. Political and socio-economic background

Lithuania is a small country on the eastern coast of the Baltic Sea, bordering Latvia, Belarus, Poland and the Russian Federation. A 99-kilometre coastline separates Lithuania from Scandinavia.

Table 1.1 General information on Lithuania (1998)

Geographical area	65,300 km²
Total population/population density/growth	3,704,800/56.7 km² / -0. 9%
Urban population	68%
Official language	Lithuanian
Capital city	Vilnius
Legislative body	Seimas, 141 members elected for 4 years
National currency	LTL = 100 cents
GDP-EUR at (exch. rate 1 Euro= 4.4 Litai)	EUR 9.720 bn.
GDP per capita-PPP-Euro	per capita: Euro 2,622.5
GDP growth	5.1%
Inflation	2.4%
Unemployment rate (registered unemployed)	6.4%
Youth unemployment rate (annual average)	7.5%
Share of young unemployed persons of all unemployed	24.9%
Education budget	6.4% of GDP
Vocational education and training budget as % of gross domestic product	0.41%

On 11 March 1990, Lithuania declared independence and separated from the Soviet Union. Lithuania is a parliamentary republic governed by the Seimas. Since 1996, the Conservative Party – Homeland Union has been the ruling party with a majority in the Seimas.

The President of Lithuania is Valdas Adamkus. His programme is based on the following slogan: "Free people, open society, strong state".

Integration into the European Union is Lithuania's strategic objective and is pursued through foreign and domestic policies.

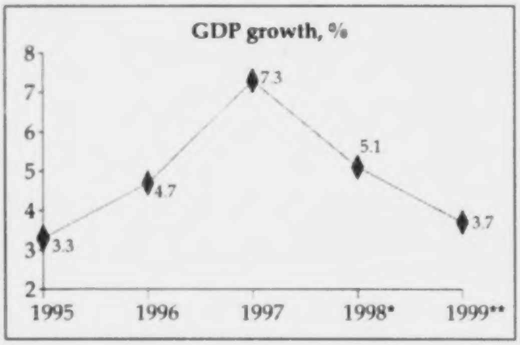
1.1 Economic development (prepared in collaboration with the Lithuanian Free Market Institute)

According to the Department of Statistics, the country's **gross domestic product** rose by 5.1% in 1998 and amounted to LTL 42.74 billion, or LTL 11,539 per capita

Figure 1.1 Gross domestic product (GDP)

Year	GDP, billion LTL at current prices	GDP per capita, thousand LTL
1995	24.1	6.5
1996	31.6	8.5
1997	38.3	10.3
1998	42.7	11.5
1999*	46.5	12.6

** A pessimistic forecast of the Ministry of Economy*



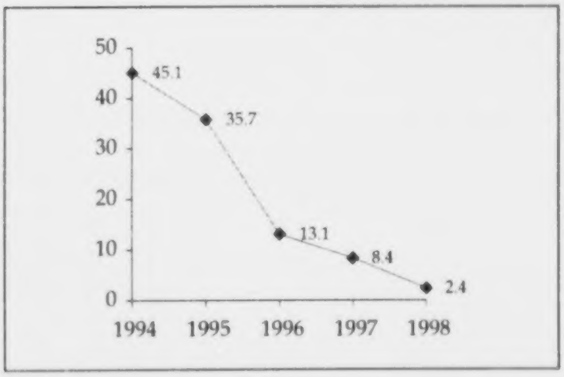
** Preliminary data of the Department of Statistics*
*** A pessimistic forecast of the Ministry of Economy*
In 1999, the recalculation of the GDP of 1997 and 1998 at current prices was carried out.

The **crisis in Russia** hit the food industry, agriculture, the manufacture of furniture, and the pharmaceutical industry severely. The crisis brought severe losses to the transport sector arising from a sharp decline in transit traffic through Klaipeda seaport and in road transport.

The share of gross domestic product generated by the private sector has been growing steadily, from 65% in 1995 to 70% in 1997. In 1998, 68.4% of the working population was engaged in the private sector.

Privatisation of state-owned enterprises has resulted in a considerable reduction in jobs, in particular in the food industry and the manufacture of machinery and equipment. Almost all large enterprises reported a sizeable reduction in jobs after being transferred to private hands. In the larger plants, in Vilnius, the number of jobs dropped almost by one quarter over the past two years.

Figure 1.2 Inflation in Lithuania, %



The rate of **inflation** has been declining steadily due to a strict monetary policy. In 1998, inflation stood at a mere 2.4%. Last year, 1999, for the first time since the restoration of independence, there was deflation, which may lead to economic recession.

Source: Department of Statistics

Declining and developing sectors of the economy

At the beginning of economic reform, the economy was dominated by the capital-intensive energy sector, food processing and light industry. The composition of the economy has not changed much in recent years. The shares of manufacturing industry, agriculture and commerce have declined steadily, while construction, real estate, the energy sector, gas and water supply, education, health care and state governance have grown. There has been a particularly high rate of growth in the real estate sector, which has seen its share of gross domestic product increase from 7.1% in 1995 to 8.4% in 1998. The local financial sector has strengthened considerably and is now much more capable of meeting the capital needs of Lithuanian companies.

Industry

According to the Department of Statistics, mining and manufacturing industries grew by 7% in 1998 compared to 1997. Food and beverages, oil refining and light industry are the leading sectors in terms of sales. The machinery and equipment sector is faced with serious difficulties, due mainly to the need for major investment to modernise production and restructure debt. Over the next three years, an increase in the manufacture of electrical machinery and equipment, and chemicals and chemical products is predicted.

Agriculture

Agriculture is, by law, a protected branch of the economy. It underwent major change in 1992 when the collective farms were liquidated and the large centralised agri-industrial complex began to be restructured into private farms and companies. Private farmers now own 36.7% of agricultural land in Lithuania.

According to the Department of Statistics, agriculture and forestry accounted for 9.9% of gross domestic product in 1998 and employed 21.7% of the labour force.

Construction

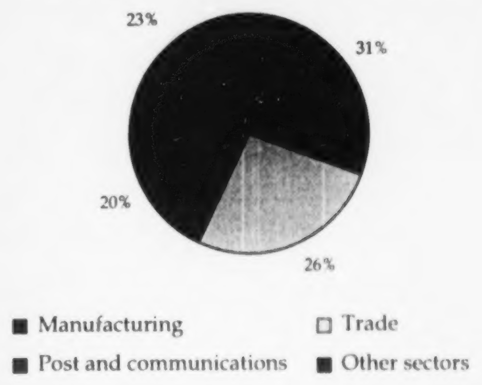
In 1998, the volume of construction work increased by 15.8%. The construction sector is forecast to grow by 5% in 1999. The upsurge in construction has accelerated growth in the manufacture of building materials.

The role of small and medium-sized enterprises in the economy

Small enterprises are defined as enterprises whose number of employees was not in excess of 50 and whose annual turnover was not in excess of LTL 500,000. The number of small businesses grew steadily after the Law on Small Enterprise was passed at the beginning of 1992.

In recent years, the increase in the number of small enterprises has been mainly due to the emergence of new business units (about 20,000 firms are incorporated each year) and the splitting up of large companies. Some branches of large state-owned companies have split and launched independent business activities. In 1996, small businesses accounted for 65% of all industrial companies and medium-sized and large enterprises comprised 24% and 11% respectively. In 1997, the share of small businesses rose to 70%, while those of medium-sized and large businesses fell to 21% and 9% respectively.

Figure 1.4 Foreign direct investment by activity



Source: Department of Statistics

According to data of the Department of Statistics of October 1998, the largest foreign investors were the United States of America, 17.5% of the total, Sweden, 15.7%, Finland, 11.8%, Germany, 9.3%, Great Britain, 7%, and Denmark, 6.4%. Most foreign direct investment was in manufacturing, trade, postal services and communications and most went to the larger cities: Vilnius, 56.9%; Klaipeda, 12.4%; and Kaunas, 9.9%.

1.2 Regional developments

Under the 1994 Law on Local Administrative Units and their Boundaries and the Law on the Management of Regional Administrative Units, Lithuania was divided, in 1995, into 56 local authorities, or municipalities, and a tier of ten regional administrations under the central government with appointed governors. These changes were intended to strengthen decentralisation and enhance local decision-making and financial autonomy.

Figure 1.5 Administrative regional division of Lithuania

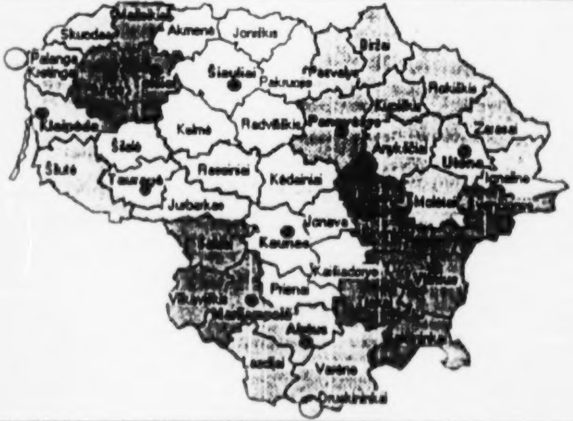
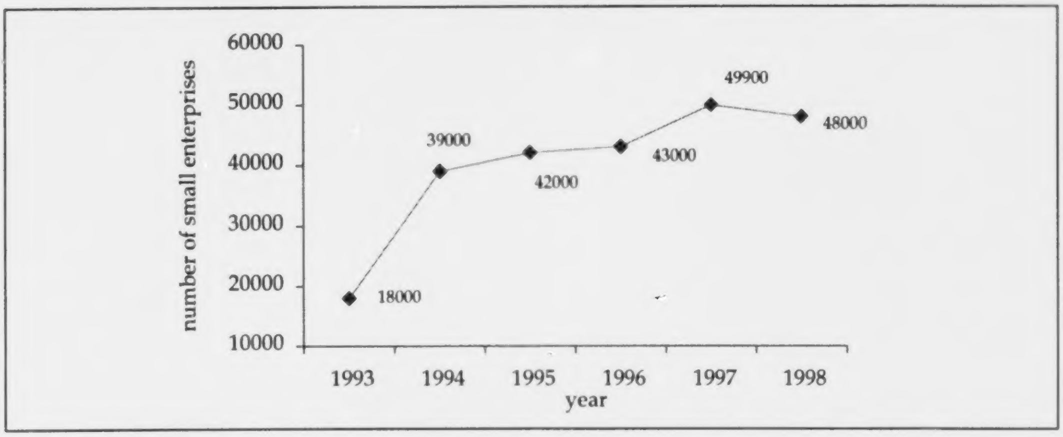

Skuodas
Akmenė
Joniškis
Biržai
Palanga
Kretinga
Šiauliai
Pakruojis
Pasvalys
Rokiškis
Kupiškis
Klaipėda
Kelmė
Radviliškis
Panevėžys
Zarasai
Šilalė
Anykščiai
Utena
Šilutė
Tauragė
Raseiniai
Kėdainiai
Ignalina
Jurbarkas
Molėtai
Jonava
Kaunas
Kaišiadorys
Prienai
Vilkaviškis
Marijampolė
Alytus
Lazdijai
Varėna
Druskininkai

Figure 1.3 Development of small enterprises 1992-1997



Source: Lithuanian Information Institute

The role of sole proprietorship in the economy

The number of self-employed individuals is growing rapidly and sole proprietorship now accounts for 73% of all small businesses. Legally, sole proprietorship has the status of natural person.

The growth of sole proprietorship began in 1989 and was both rapid and intensive. In 1997, sole proprietorship employed 80,000 persons, compared to 79,300 in 1996 and 110,100 in 1995. The latest labour force survey (November 1998) indicates that self-employed individuals comprise about 13% of the total working population. Some 60,000 persons have patents, i.e., authorisation to carry out a business activity without registering a firm. Most are engaged in trade, 65%, and transportation, 10%, and, generally, operate in the larger cities.

Foreign direct investment

On 1 January 1999, foreign direct investment reached LTL 6,501.2 million, of which LTL 1,364.0 million were in short- and long-term direct loans. The volume of foreign direct investment has increased rapidly in recent years. According to the Department of Statistics, foreign direct investment increased by 56.2% in 1998. Despite the fact that the rate of growth of foreign direct investment has been high, foreign direct investment per capita stands only at LTL 1,755.2. This is one of the lowest indicators in Central and Eastern Europe. The growth of foreign direct investment has been mainly due to the privatisation of state-owned enterprises.

The main cause for concern with the decentralisation process is the allocation of responsibilities between the different tiers of government, which in many key areas remain ambiguous and uncoordinated. The functions of municipalities are also performed by state institutions and the health care and education sectors are particularly sensitive with regard to the division of authority. Such ambiguities hinder the decentralisation process and make it difficult to design a stable fiscal structure for municipalities. They also lead to tension between administrations, inefficient provision of services and unclear accountability.

In July 1998, the government adopted a regional policy framework aimed at balancing the socio-economic development conditions of all regions. The objectives of the regional policy are to stimulate market economy-oriented development in every region, to build an infrastructure, which is in line with socio-economic and environmental requirements, and to reduce regional differences in economic, cultural and educational conditions. The National Council for Regional Development will be the main institution responsible for regional development. In May 1999, the Government approved measures for the implementation of the regional policy framework. The Ministry of Administrative Reforms and Local Government is the coordinating institution.

Regional development is not homogenous. This is particularly reflected in differences in the levels of unemployment and household income. The rate of unemployment is higher in economically depressed regions, especially those with many enterprises in difficulty, and in the regions with a predominant agricultural sector. According to Labour Exchange data of 1 April 1999, the highest unemployment rate was in the regions of Lazdijai, 17.3%, Salcininkai, 16.8%, and Akmene, 16.5%. The lowest rate was recorded in the larger cities: Vilnius and Kaunas, 5.7%; Klaipeda, 5.3%; and the Prienai region, 4.3%. Siauliai has the highest rate of unemployment, at twice the average rate for other cities.

The greatest concentration of enterprises is in cities and their surroundings and most direct investment was also channelled to these enterprises. The rapid development of Vilnius, the capital city, is mainly due to the following:

- the growth of services;
- the establishment of prestigious shopping centres;
- foreign investors' inclination towards the capital as a preferred location;
- the construction of administrative buildings;
- the location of foreign embassies; and
- tourism.

The Department of Statistics attempted an initial evaluation of the share of gross domestic product by regional administrative units. According to these data, almost one third, 29.3%, of gross domestic product was created in Vilnius in 1997 and the Telsiai and Marijampole regions contributed a mere 4.3% each.

Free economic zones are being created in Klaipeda, Kaunas and Siauliai

1.3 Demography

On 1 January 1999, the population of Lithuania was 3,701,000, of which 52.8% was female. Population density was 56.7 people per 1 km^2.

Until 1990, the year of independence, population growth was 1.2-1.3% per year. However, since then, population growth rates have diminished and, in 1992, the population declined for the first time. Initially, this process was caused, solely, by migration but, from 1994 onwards, the natural population growth rate turned negative and became the decisive factor in the population decline.

Figure 1.6 Deaths and births in Lithuania

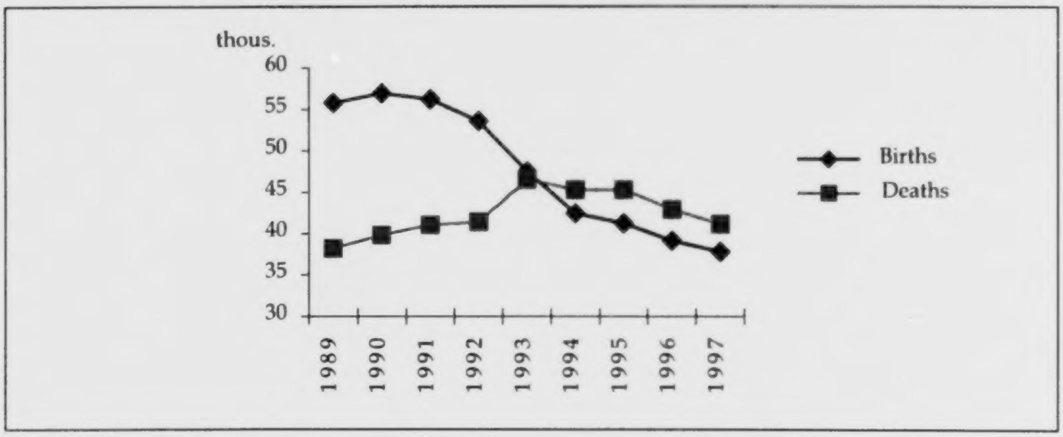
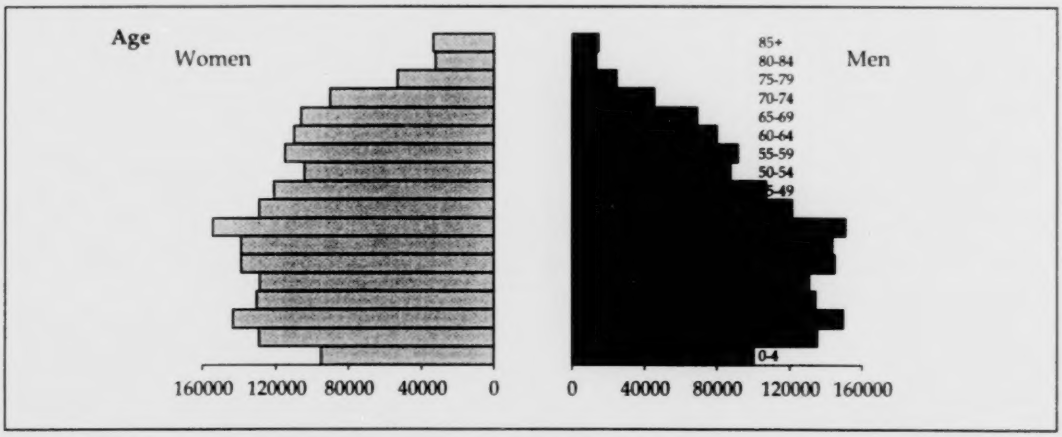


Figure 1.7 Population by sex and age in 1999



The age structure of the population, set out in Figure 1.7 above, is a consequence of recent demographic developments, i.e., natural change and migration.

The bottom of the pyramid reflects the sudden drop in the birth rate in recent years. Elsewhere, the pyramid demonstrates a progressive ageing of the population, with the number of persons aged 60 year and more, currently 18% of the total, set to steadily increase.

Up to 1995, the working age for men was from 16 to 59 years and for women 16 to 54 years. The 1994 Law on Social Insurance Pensions, which took effect on 1 January 1995, extended the pension age, gradually, by 2 months per year for women and 4 months per year for men. From 2002 onwards, women will retire at age 60 and men at 65.

At the beginning of 1999, 2,523,200 people lived in urban areas and, at the beginning of 1998, the urban population represented 68.2% of the total population. Females make up 53% of the urban population and 52% of the rural population. The elderly population is growing and the number of children, 0-14 years old, is declining in both urban and rural areas.

Since 1990, there is no legal restriction on emigration. In 1995, the rate of emigration was double that of immigration. However, by 1998, the situation had changed to such an extent that in that year there were 2,706 immigrants and only 2,130 emigrants. Most inward migrants came from Latvia, the USA and Israel, whereas most outward migrants went to the CIS countries, the USA, Israel and Germany.

The structure of the population by nationality is presented in Chapter 1.5 and is accompanied by a breakdown of the employed, by nationality.

Following a government decision, the Population and Housing Census planned for 1999 has been delayed until April 2001.

1.4 Social protection

The social security system is composed of two main parts: social insurance and social assistance. There is also a special social benefits component.

The state Social Insurance Scheme (SODRA) is funded by contributions from employees and employers to a social insurance fund which is governed on a tripartite basis. Social insurance benefits are collected from the independent Social Insurance Fund and a Health Insurance Fund. In 1998, consolidated expenditure from both funds came to more than LTL 5.5 billion.

Table 1.2 Structure of the social security system

Social insurance			**Special benefits**
Social security	**Social assistance**		
	Social assistance cash benefits	Social services	
Pension insurance Sickness & maternity insurance Health insurance Unemployment insurance Labour accident insurance	Social pension Family benefits Social benefits Compensation for heating costs and other payments	Social care institutions Homes for senior citizens, the disabled, orphans and foster children Day centres Night shelters Home care Home nursing	President's pension 1st & 2nd Degree state pensions Military and officials' pensions Deprived persons' pensions Scientists' pensions Actors' rent

Social assistance in cash is usually granted in the form of benefits. The majority of these benefits are paid from local government budgets and are administered via municipal social assistance departments.

The Law on Social Services has been in operation since 9 October 1996. The social services provide assistance to all families and individuals, in the form of a care allowance and a variety of non-monetary forms, in certain extreme situations. Social services are aimed at social integration by rebuilding people's capacity to lead a full life and may be preventive, or rehabilitative in nature. Social services are divided into: general services, which includes information and consultation, home care and nursing and care allowances; and specialised services such as those provided through in-care social service institutions. Since the Law on Social Service and related legislative measures was passed the legal foundation for social services took on a more systematic nature.

Measures designed for special social groups

Under the Law on Support for the Unemployed, the state **guarantees** the following to citizens:

- free vocational guidance and counselling services and information on job vacancies;
- free labour exchange services when looking for job;
- free vocational training for the unemployed;
- in case of unemployment, an opportunity to participate in public works or works supported by the Employment Fund; and
- unemployment benefits.

The Law on Support for the Unemployed, makes additional employment guarantees to the following groups of the population:

- persons under 18 years of age;
- women who have children under 14 years of age;
- men who are raising children under 14 years of age;
- persons who will be entitled to receive the full old age pension in less than 5 years;
- persons who have returned from penitentiary institutions; and
- disabled persons (in accordance with the procedure established by the Law on the Social Integration of the Disabled) and participants in local special purpose programmes.

During 1998, of persons eligible for additional employment guarantees 23,200 were employed, including 1,400 disabled, and 25,700 were involved in active employment programmes, of whom 1,900 were disabled. The majority of socially supported persons participated in job-seeking activities, vocational training and public works.

Students at vocational training institutions are entitled to state scholarships as follows:

- 70% of full-time students at college-type school receive a scholarship equal to 86% of the Minimum Living Standard, amounting to LTL 107.5 in mid-1998; and
- 70% of full-time students at vocational school receive a scholarship equal to 76% of the Minimum Living Standard, amounting to LTL 107.5 in mid-1998.

1.5 Labour market

Since the launch of economic reform, there has been a steady decrease in the total population owing to the declining birth rate and emigration (see Chapter 1.3.). This has resulted in an ageing of the population and an increase in the share of the population of non-working age, whose number is increasing constantly. The general economic situation and the recession in production have made the problem of employment worse. However, the level of activity of the population remains quite high.

Table 1.3 Main labour market indicators (thousands)

	1993	1994	1995	1996	1997	1998
Total population	3736.5	3720.8	3714.8	3709.5	3705.6	3702.6
Working-age and older population	2846.4	2848.2	2853.9	2862.1	2873.3	2875.0
Labour force	1859.3	1740.7	1752.6	1783.5	1773.7	1769.8
Employed	1778.2	1675.0	1643.6	1659.0	1669.2	1656.1

As the employment rate declined, the share of women in the total number employed also declined. Some women with a low income or who had husbands in well-paid jobs moved into the 'inactive' category and became housewives. Thus, in 1989, employed women accounted for 53% and, in 1998, for 48% of the total working population.

In 1998, as in earlier years, the majority of women worked in health care and social work, education institutions and financial services where they represented 82%, 76% and 64%, respectively, of the total employed in these sectors. Women were least numerous in construction, 10%, transport, 24%, and public administration, 37%. In recent years, the number of women employed in construction, industry and education institutions has diminished and has grown in public administration where, in 1992, women accounted for 18% of employees.

Changes in employment in different economic sectors

Prior to independence, the majority of the employed population worked in industrial enterprises, 30%, agriculture, 18%, and construction, 12%. Economic restructuring has brought about an increase in the number employed in services and a decrease in manufacturing.

As output fell, the number employed in industry declined from 575,000 in 1989 to 301,000 in 1998 and, in construction, the number declined from 225,000 to 102,000. Building the new, independent Republic of Lithuania required the creation of public administration structures and, as a result, the number employed in institutions of public administration more than doubled in 8 years to 70,000 persons in 1998.

Employment in the counties

The employment rate varies between counties, although not to any great extent. The difference between the highest, Klaipeda with 56.2%, and the lowest, Telsiai with 51.3%, was only 4.9 percentage points in 1998.

Differences in employment rates are due to different levels of economic development in individual counties. The employment rate is higher in the counties with more advanced industry and service sectors because it is easier for the population to find jobs. In counties with predominantly small towns, the majority work in agriculture, there is a disproportionate number of older persons, the economy is stagnant and, consequently, the employment rate is lower.

Nationalities of the employed

According to the Labour Force Survey, the distribution of all the employed population by nationality, in 1998, was as outlined in Table 1.4.

Table 1.4 Population of working-age and older and employed by nationality

	Population		Employed	
	thousand	%	thousand	%
Total (14 years and older)	2987.2	100.0	1588.0	100.0
Lithuanians	2435.6	81.5	1321.3	83.2
Russians	244.7	8.2	117.5	7.4
Poles	212.0	7.2	102.0	6.4
Byelorussians	47.2	1.6	23.7	1.5
Ukrainians	23.0	0.8	11.4	0.7
Other nationalities	24.6	0.8	12.1	0.8

A higher proportion of Lithuanians, than peole of other nationalities, is employed. Non-Lithuanians have more difficulty in finding jobs because not all of them speak Lithuanian and this affects their chances of employment. However, this gap is narrowing each year.

Education of the Employed Population

The level of education of the employed population is quite high as is shown in Table 1.5.

Table 1.5 Employed by education, November 1998 (Labour Force Survey data)

	Total		Men		Women	
	thousand	%	thousand	%	thousand	%
Total	**1607.3**	**100**	**820.8**	**100**	**786.6**	**100**
Higher	340.3	21.2	150.5	18.3	189.9	24.1
Unfinished higher	35.6	2.2	21.8	2.7	13.7	1.7
College-type	378.3	23.5	157.8	19.2	220.4	28.0
Secondary general without vocational training	316.3	19.7	161.5	19.7	154.8	19.7
Secondary general with vocational training	280.4	17.4	173.8	21.2	106.6	13.6
Basic general (or 8-year) without vocational training	117.5	7.3	65.9	8.0	51.6	6.6
Basic (or 8-year) with vocational training	72.4	4.5	52.5	6.4	19.9	2.5
Primary (no primary education)	66.5	4.1	36.9	4.5	29.6	3.8

The statistics show that girls are more inclined than boys to seek education and, consequently, more women than men have university and college-type education. Nonetheless, more men than women occupy managerial positions. Out of 177,000 legislative staff, senior officials and managers, 114,000 or 64% of all the employees of this group were men. Most women with university education work as specialists, technicians or white-collar workers, including teachers, doctors, economists, accountants, nurses, assistants, administrative assistants, operators etc. Women make up 72% of all the employed in this occupational group. Many working women also look after their homes and families and, consequently, many are reluctant to take on time- and energy-consuming managerial responsibilities and content themselves with the jobs of specialists.

Unemployment

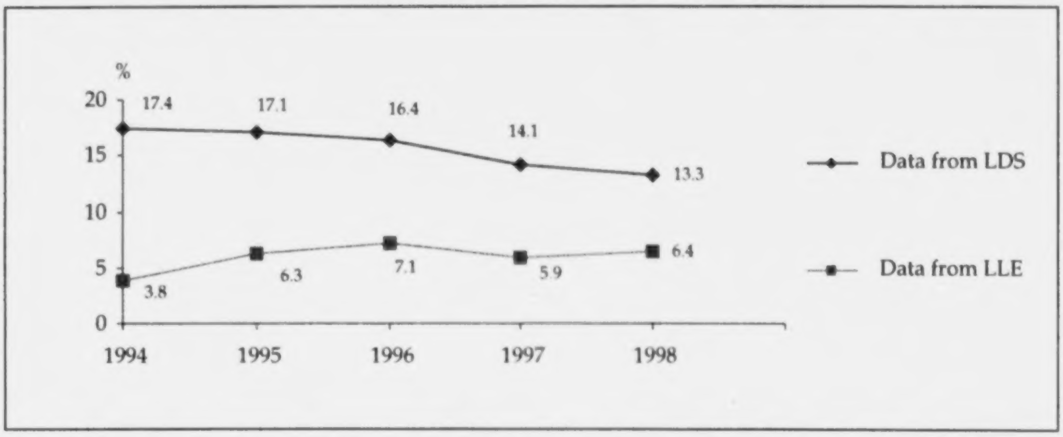
The unemployment rate is measured in two ways: according to labour exchange registration; and labour force surveys.

The 'registered' level of unemployment is the ratio of the unemployed registered with the labour exchanges to the total labour force. Not all the unemployed seeking work are registered with state labour exchanges. Some look for work on their own, apply to employment agencies, make use of the mass media etc. The Law on Support for the Unemployed determines the status of a registered unemployed person.

Statistics Lithuania carries out the Labour Force Survey using International Labour Organisation methodology, which facilitates a comparison of unemployment levels in different countries but defines unemployment differently to the Lithuanian Labour Exchange. Both definitions of unemployed are presented in the Glossary at the end of this report.

The unemployment rates obtained using the two methodologies differ. The unemployment trends are presented in Figure 1.8, from which it is immediately evident that the gap between figures from the Labour Exchange and the Department of Statistics is slowly narrowing. On the one hand, this may be explained by the fact that people have more faith in the labour exchange and, on the other hand, it may be the result of active measures taken by the Government to decrease hidden employment and unemployment.

Figure 1.8 Unemployment rate trends (average annual)



The number of students entering vocational schools, colleges and higher schools is continuously increasing (see table 2.4), so the decline in youth unemployment shown by the Department of Statistics (see Table 1.6) and Labour exchange data (see Table 1.7) seems quite reasonable.

The composition of the unemployed by educational attainment, according to the Department of Statistics (see Figure 1.9) and Labour Exchange data (see Figure 1.11), is similar. Although the number of unemployed without qualifications, by gender, differs according to the source of data, the ratio between unemployed women and men with the analogous level of education remains the same.

1.5.1 Department of Statistics labour force survey data

Unemployment

According to 1998 Labour Force Survey data, there were 232,400 unemployed persons in Lithuania, of whom 131,400 were men and 101,000 were women. In 1997, unemployed men accounted for 53% and, in 1998, for 56% of the total number of unemployed.

The unemployment rate among men is also a little higher than among women. In September 1997, the unemployment rate among men was 14.1% and among women 14.0%, and, in 1998, it was 14.5% and 12.4% respectively.

In 1998, the urban unemployment rate decreased from 15.4 to 13.8%, whereas in rural areas it went up from 10.8 to 12.7% during that year.

Youth unemployment

At the beginning of 1998, there were 581,000 young persons of the surveyed age, i.e., 14 – 24 years of age. The majority, 303,000 or 52% of the total population in this age group, attended general education schools, college-type schools and universities. More than a third were employed and 54,000, 9%, were unemployed (International Labour Organisation definition), thus giving a total youth labour force of 278,000. Analysis of the Labour Force Survey data of the last 5 years shows a decrease in youth unemployment.

Table 1.6 Number of unemployed and unemployment rate of 14-24 year-old population

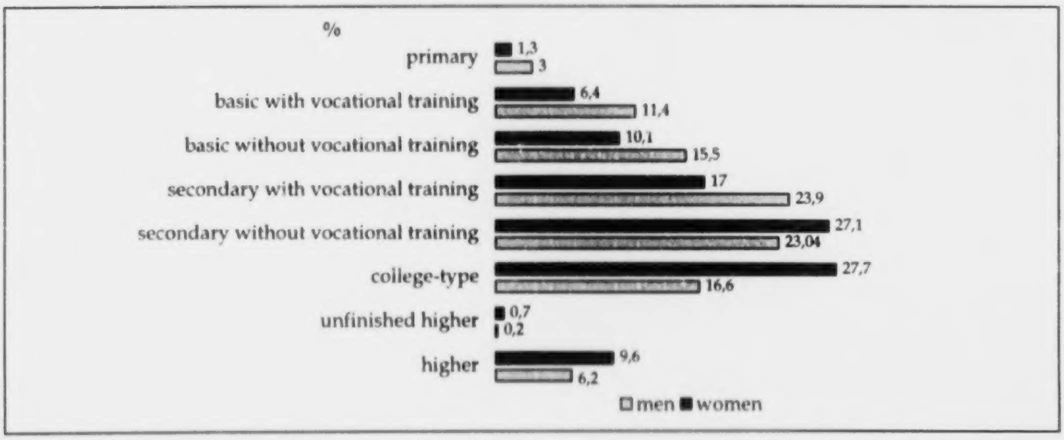
	Number of unemployed	Unemployment rate
1994	93,700	32.1
1995	88,900	31.6
1996	72,200	27.4
1997	65,500	25.8
1998	53,100	19.1

Education of the unemployed

Although data covering a two-year period is insufficient to give a reliable trend, it is, nonetheless, significant that:

- the number of unemployed without vocational training decreased in 1998, as compared with 1997;
- there has been an increase in the number of unemployed, and their share of the total number of unemployed, who have graduated from schools of general education and obtained a professional qualification.

Figure 1.9 Education of the unemployed, by gender, in 1998



The level of education of the unemployed differs by gender. Although, overall, there were less unemployed women than men, 10% of unemployed women had a university education compared to only 6% for men.

Unemployment by economic sector

According to Labour Force Survey data, in 1997, out of 257,000 unemployed, 185,000 or 72% had previously worked and in 1998, out of 245,000, 187,000 or 75% had been previously employed.

Analysis of the former activities of the unemployed, in 1998, shows that, compared with 1997, the number of the unemployed who previously had worked:

- in agriculture rose from 15,100 to 21,100;
- in industry fell from 59,700 to 56,800; and
- in financial services and commercial activities fell from 6,000 to 3,900.

There were no significant changes in the number of the unemployed who had been previously employed in other areas. The distribution was as follows:

- 22,000 in construction;
- 40,000 in trade and public catering;
- 12,000 in transport;
- 10,000 in education; and
- 5,000 in health care.

However, it should be noted that, in view of the 1998 economic crisis in Russia which is likely to impact on Lithuania in mid-1999, more significant changes in the number and characteristics of the unemployed are expected.

Unemployment in the counties

Traditional regional differences in employment levels persist although there has been a narrowing over the past two years. The difference between the maximum and minimum unemployment rates was 11.3 percentage points in 1997 and 7.1 percentage points in 1998.

1.5.2 Labour Exchange data

Unemployment

In Spring 1999, Lithuania had an unemployment rate of 8.5%, the highest since independence. The number of persons registering at labour exchanges has been increasing steadily over recent years for several reasons.

- The number of jobs has declined by 200,000 since 1992. The 100 largest enterprises employed 125,000 persons in 1992, but, owing to restructuring of their activities, the number fell to 25,000 by 1999. An increase of 2% in the number registering at labour exchanges and an increase of 0.1% in the rate of unemployment is attributable to bankruptcies of enterprises.

- The financial crisis in Russia, which began in the Autumn of 1998, had a negative impact on many Lithuanian enterprises. The number of part-time employees doubled and enterprises whose situation did not improve were later forced to release employees, who then joined the ranks of the unemployed.
- There has been increased confidence in the state labour exchange. According to labour force surveys, 53% of the unemployed look for jobs through the labour exchange. Their confidence has grown following the more open customer information and consulting services system offered by the exchange and an expansion of the job opportunities on offer.

Table 1.7 Breakdown of the number of unemployed and the unemployment rate in 1997 - 1999 (annual average)

	Number of Unemployed			Unemployment rate (%)		
	1997	1998	1999 (01 - 08)	1997	1998	1999 (01 - 08)
Total	104,452	113,688	141,301	5.9	6.4	8
Youth	20,439	20,867	25,851	7.9	7.5	8.9
Women	55,569	58,078	68,586	6.2	6.5	7.8
Men	48,883	55,610	72,715	5.6	6.3	8.1
Long-term unemployed	16,113	15,212	16,343	....	....	....
Unskilled	29,483	50,984	60,019[3]	....	....	....
Partially employed	10,300	13,300	16,100	....	....	....
Unemployed in rural areas	....	41,976[1]	48,706[2]	....	8.41	9.62

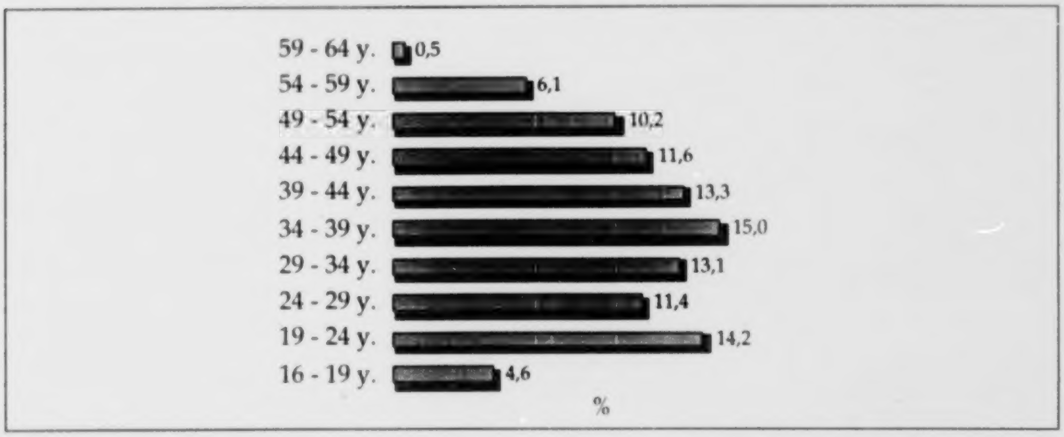
[1] end of the year; [2] 01 July ; [3] January-June.
A total of 204,300 persons registered at labour exchanges during 1998.

Analysis of the data in Table 1.7 shows that:

- the proportion of young persons among the unemployed diminished from 19.6% in 1997 to 18.3% in 1998 and remained steady until August 1999;
- the proportion of women among the unemployed fell from 53.2% in 1997 to 51.1% in 1998;
- the proportion of long-term unemployed went down from 15.4% in 1997 to 13.4% in 1998; and
- the number of unskilled unemployed persons increased by 70% in 1998, compared with 1997.

As Figure 1.10 illustrates, the largest block of unemployed, by age, was the 34-39 age group and the average age of the unemployed was 36.6 years.

Figure 1.10 Unemployed by age groups (end 1998)



Youth Unemployment

During 1998, 50,900 young persons under 25, i.e., 24.9% of the total registered, were registered as unemployed, of which:

- 43.3% were women and 56.7% were men;
- 28%, 14,300 persons, were aged between 16 and 19; and
- 72%, 36,600 persons, were aged between 20 and 25.

Labour Exchange data shows that youth unemployment decreased from 8.2% to 8% during 1998. However, this does not, necessarily, mean that youth employment opportunities have improved. The unemployment rate is directly dependant on the size of the labour force and this diminishes when young persons are recorded as "inactive" because the cease trying to study and work at the same time.

Table 1.8 Registration of education institution graduates at labour exchanges

	Number of graduates in 1998	Registered at regional labour exchanges (unemployed)	Proportion of unemployed graduates in the total number of graduates in that year (%)
Vocational schools Total	**13,726**	**2,187**	**15.9**
Ministry of Education and Science	9,324	1,308	14.0
Ministry of Agriculture	4,366	879	20.1
Private	36	0	0
College-type schools total:	**5,452**	**356**	**6.5**
Ministry of Education and Science	4,826	196	4.0

	Number of graduates in 1998	Registered at regional labour exchanges (unemployed)	Proportion of unemployed graduates in the total number of graduates in that year (%)
Ministry of Agriculture	626	160	25.6
Schools of higher education (except those enrolled in MA and PhD studies)	5,247	361	6.9

In 1999, with a view to more accurate identification of youth recruitment trends and the causes of unemployment, the Labour Exchange and the Ministry of Education and Science, started to analyse referrals of graduates of vocational, college-type schools and universities to regional labour exchanges.

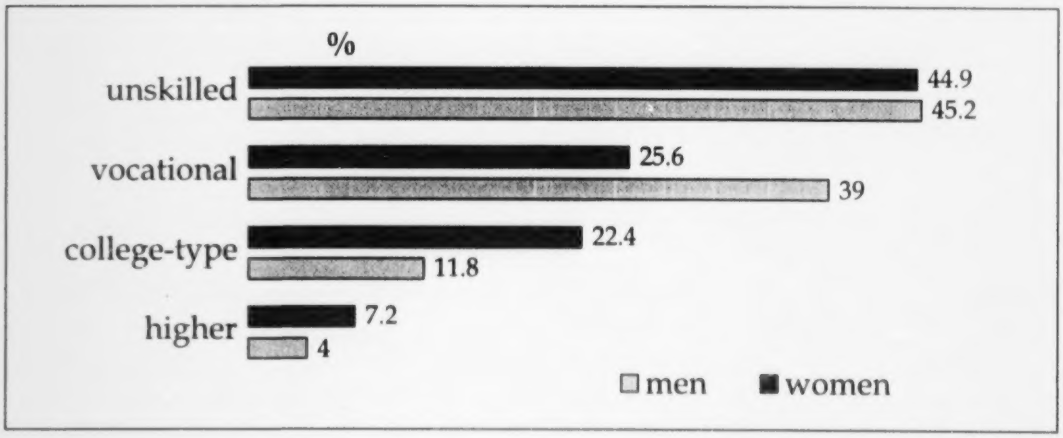
Education of the unemployed

According to Labour Exchange data, the majority of the unemployed have no professional qualifications and a minority are graduates of higher education institutions. This may be explained by the increasing demand for highly qualified specialists. The level of the unemployed by the education also differs by gender (see Figure 1.11).

Partial employment

To assess the partial employment situation, approximately 2,000 enterprises were monitored continuously during 1998. The number in partial employment doubled during the year, from 8,500 to 16,700 and by the end of the year 279 enterprises were affected. The main reason for the increasing number of partially employed persons is the financial crisis in Russia and the related reduction in demand and sales.

Figure 1.11 Education levels of the unemployed in 1998



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Trends in labour force supply and demand

There was an increase in labour force supply in 1998. The number of unemployed registered during the year was 10,800 higher than in 1997 and, at the end of 1998, there were 2,500 more unemployed than in 1997. Persons who had never worked and long-term unemployed accounted for almost a half of all labour exchange applicants.

The growth in labour force demand at the beginning of 1998 was higher than expected. Regional labour exchanges registered the highest number of new job offers in their history. However, in September the financial crisis in Russia immediately impacted on labour force demand and, from then on, the number of vacancies registered was smaller than in 1997.

Employment policy measures for the regions.

During 1998, integrated employment programmes, which were developed in 1997, were implemented in Druskininkai, Salcininkai and Ignalina. The priority areas were: integration of groups of the unemployed from different areas into the labour market; labour market measures designed to limit and prevent unemployment; and the development of social partnership. Similar employment programmes were also developed, in 1998, for the Lazdijai and Sirvintos regions, which have the highest unemployment rate in the country.

Local employment initiative programmes for the Alytus, Druskininkai, Marijampole and Varena districts were launched in 1998. Their priorities are:

- employment of the disabled and provision of social services, in Marijampole and Varena;
- business and tourism development, in Alytus, Druskininkai, Varena; and
- promotion of labour market vocational training services, in Druskininkai and Varena.

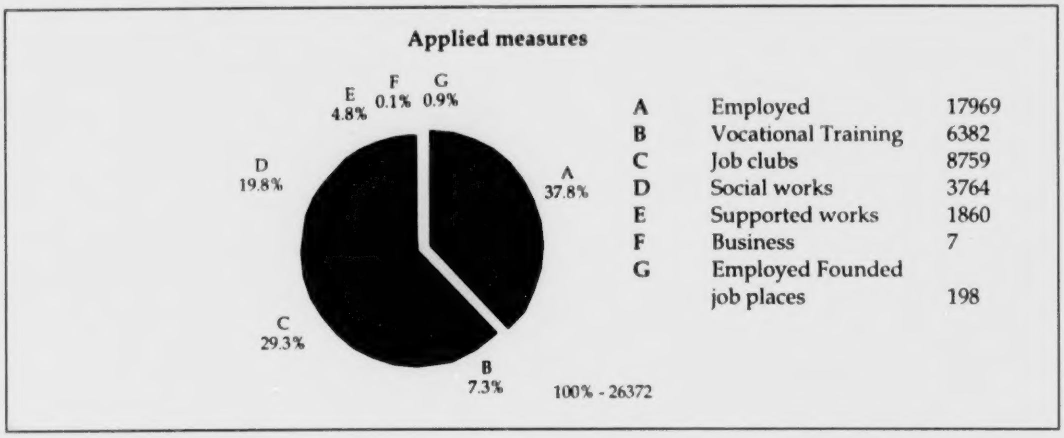
Employment policy measures aimed at youth

1998 was declared the Year of Youth. Career guidance and labour market integration measures were approved by Government Order in January 1998 (see Chapter 2.3.2.). Implementation, for which responsibility is shared between the Ministry of Education and Science and the Ministry of Social Security and Labour, is planned to be completed by 2001. The following measures were proposed for the integration of youth into the labour market:

- preparation of regional vocational training and employment programmes for young people in regions with highest unemployment;
- development of individual measures and programmes;
- development of temporary employment;
- improvement in regional mobility of young people; and
- incentives to employers to recruit young persons.

Youth employment and vocational training programmes for Kupiskis, Kretinga, Pakruojis and Silale were developed in 1998 and involve similar measures as for other groups of the unemployed.

Figure 1.12 Integration of youth into the labour market



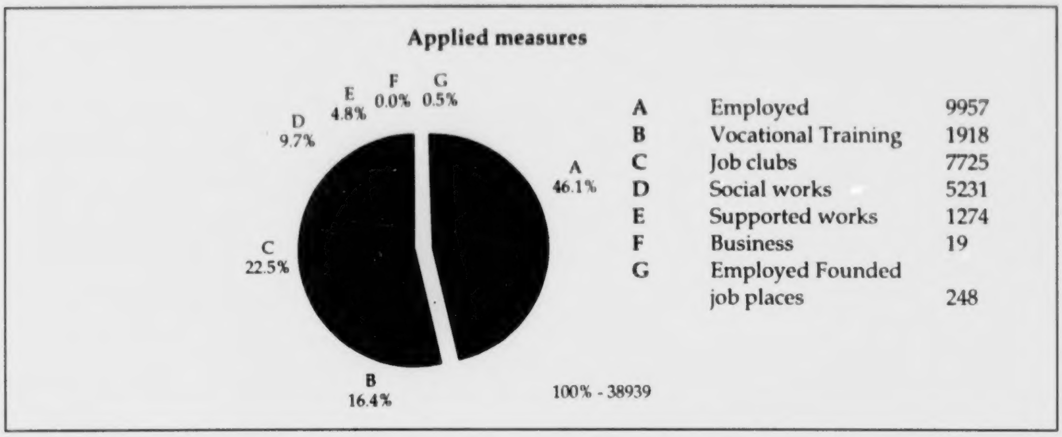
Employment measures aimed at young persons helped:

- to increase their recruitment rate by 50%, 10,000 persons, compared with 1997;
- to increase their involvement in active labour market policy programmes; and
- to cut their unemployment rate to 8% at the end of the year from 8.2% at the beginning.

Long-term unemployed

In order to prevent long-term unemployment, each regional labour exchange developed programmes for the integration of the long-term unemployed into the labour market.

Figure 1.13 Integration of long-term unemployed into the labour market



The Labour Exchange helped to increase the participation of the long-term unemployed in active labour market policy programmes, especially public works. However, reinstating the long-term unemployed in regular jobs remains the biggest concern.

Employees at risk of unemployment

In 1998, much attention was paid to the prevention of unemployment, i.e., finding further employment for employees who had received written redundancy notices. Regional labour exchanges and employers prepared 32 unemployment prevention programmes, containing proposals for employers to retain surplus employees and allow them to receive training for a new occupation or upgrade their qualifications through the labour exchange. Four hundred and fifty-one employers joined this programme, 53.9% more than in 1997, and thus helped prevent the unemployment of 1,080 employees who had received notifications of dismissal.

2. Modernisation of vocational education and training

2.1 *Organisation of education and training*

The structure[1] of the education system and the types of education institutions are regulated by:

- the Law on Education, adopted in June 1991 and amended in June 19997;
- the Law on Science and Studies, adopted in February 1991;
- the Law on Vocational Education and Training, adopted in October 1997; and
- the Law on Informal Adult Education, adopted in June 1998.

Pursuant to the Order of the Minister for Education and Science on Guidelines for Reform of the General Education Institutions' Network (February 1999), the previous structure of the general education school, 4+5+3, was replaced by the structure 4+(4+2)+2. In the 1998/99 academic year, students did not take the final basic education examinations after the 9th grade. Instead, 9th grade graduates were offered the choice of staying in the general education school for one more year or completing the 10-year general education cycle at vocational schools. The transfer to the compulsory 10 years education cycle will be completed in the year 2000. It is planned to gradually change over to starting schooling at 6 years of age: at present the Law on Education stipulates six or seven years of age but most children choose the 7 years' option. At the same time it is planned to introduce profiled education at upper secondary school level and, also, modern extramural modal education for adults.

2.1.1 *General education*

- From 1999/2000 general education is provided by the following institutions.
- Primary general education schools include grades 1-4 (6/7-10/11 years old), over a 4-year period.
- Basic general education schools include grades 5-10 (10/11-16/17 years old), over a 6-year period.
- Upper secondary general education schools include grades 11-12 (16/17-18/19 years old), over a 2-year period. After finishing upper secondary school the Maturity Certificate is issued. From an organisational point of view, the primary, basic and secondary education is often carried out at the same school.

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[1] The structure of the present education system is described in Annex A. Where possible, passage from one type of education institution to another is shown along with the possibility of further continuity of vocational training.

- Gymnasium[2] includes grades 9-12 (14/15-18/19 years old), over a 4-year period.

  Gymnasium is divided into the following disciplines:

  - humanities (classical/modern languages, social sciences);
  - science (natural, technical and economic sciences); and
  - art (painting, music).

- **Youth schools are** designed for young people between 12-16 years of age, who have failed to adapt at school and who lack motivation to learn. Such schools provide pre-vocational education and, accordingly, students acquire general education knowledge as well as vocational work skills. No qualification certificate is issued.

- **Adult general education schools** and training centres are designed for adult education and training.

- **Specialised schools** are designed for different types of specialisation.

2.1.2 *Vocational education and training*

In order to improve professional opportunities, the vocational education and training system provides several programmes at different levels. In the organisational chart of the education system, these programmes are represented as different stages of vocational education and training.

- Initial (basic) vocational education is Stage I of the vocational education and training school system and is designed for students, who are at least 14 years old, have not completed the general basic school programme and want to acquire an elementary specialism. Such programmes usually take two or three years. Those interested have the opportunity to complete the basic general education. A qualification, corresponding to the second vocational attainment level of the European Centre for the Development of Vocational Training (CEDEFOP) classification, is conferred on successful completion of the programme. According to the ISCED97 classification, the programmes qualify as Level 2 programmes.

- Secondary vocational education includes Stages II and III of the vocational education and training school system.

  - Stage II secondary vocational education is designed for those who have graduated from basic schools. Programmes take 3 years, after which only a vocational qualification is granted which corresponds to the third vocational attainment level of the European Centre for the Development of Vocational Training classification. The age of students is 15/16-17/18 years.
  - Stage III secondary vocational education is designed for those who have graduated from basic school and want to acquire a vocational qualification alongside the Maturity Certificate. Such programmes last for 4 years and the qualification conferred corresponds to the third vocational attainment level of the European Centre for the Development of Vocational Training classification. The age of students is 15/16-19/20 years.

  Following the change over to the 10 years compulsory education, these two types of programmes will have to be adjusted to the higher level of general education of the students. In to the ISCED97 classification, these programmes are ascribed to level 3.

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[2] Students are admitted to humanities and science gymnasium upon completion of 8 grades in general education schools. The studies last for four years during which general secondary education is acquired and the Maturity Certificate is issued. Graduates from gymnasium have no legal privileges to enter higher schools. In the art gymnasium, students start when they are 6-9 years old. In May 1999, the Concept of Gymnasium was adopted by an Order of the Minister for Education and Science. The Concept specifies the tasks, structure, as well as requirements to the contents of education and management of gymnasiums.

- Post secondary vocational education and training is provided at three levels.
  - Stage IV programmes in post-secondary education are designed for those, usually 18/19 year olds, who have graduated from secondary schools, but want to acquire an occupational qualification. Depending upon the complexity of the profession, the education lasts for 1 or 2 years and the education levels acquired during such programmes are equal to those acquired in the Stage II or III vocational education and training schools.
  - Colleges are designed for those who have secondary education and the Maturity Certificate and who want to acquire *an associated specialist* qualification. Duration of studies is mostly 3 years, although in some cases, e.g., teacher training, nursing etc., the studies may take up to four years. The age of students, duration of studies and the type of training programmes indicate that college-type schools would be classified as ISCED97 5B.
  - Higher education institutions (universities and academies) normally admit only those who have Maturity Certificates or other equivalent documents certifying graduation from secondary school. Those who have graduated from Stage IV vocational education and training school or college, have no privileges when entering higher schools and follow the general procedure together with those who graduated from secondary school. Studies at higher education institutions are organised according to more than 250 curricula on three levels.
    - Basic studies, lasts 4-5 years, following which a bachelor's degree, an equivalent academic degree and/or professional qualification is granted. This is the general higher education in a specific area of art or science.
    - ***Specialised studies/Master programme*** lasts 1.5 to 2 years and is open to those who have completed basic studies and wish to acquire a specialised professional or master degree. A master degree certifies that a person has specialised in higher education in a certain area of art or science and is ready to continue studies in a PhD programme.
    - PhD studies last for no more than 4 years, of which 1.5 to 2 years are dedicated to the PhD theoretical course. The PhD theoretical course includes at least four subjects and concludes with final examinations. After the PhD theoretical course, research is carried out and a PhD thesis is prepared and publicly presented.

  The highest scientific degree in Lithuania is a degree of Doctor Habilitatis. This degree is granted to persons possessing a PhD degree, who have published important scientific works in prestigious Lithuanian and/or international magazines and scientific publications, which are summarised in a monograph or in a habilitation thesis.

2.2 *Main features of the vocational education and training system*

The operation of education institutions is overseen by the state. Education at state and municipal levels in general education, vocational and college-type schools is free. Non-governmental education institutions charge a fee. Free education in the state-funded higher schools/universities is guaranteed only to the students with excellent performance.

Statistics on education institutions show, that there have been no major changes in the education system in recent years (see Table 2.1), with the exception of the increase in the number of gymnasiums and the decrease in the number of schools for adults.

Table 2.1 Education institutions in Lithuania

Types of schools	1995-1996		1996-1997		1997-1998		1998-1999	
	Total	Including private	Total	Including private	Total	Including private	Total	Including private
Secondary education schools:	**2361**	**20**	**2373**	**20**	**2386**	**24**	**2375**	**23**
Nursery schools	141	1	151	2	149	2	150	2
Primary schools	836	12	828	8	834	10	830	9
Youth schools	19	-	21	-	22	-	23	-
Compulsory schools	592	5	597	8	594	7	583	6
Secondary schools	695	1	698	1	707	4	712	6
Incl. Gymnasiums	14	-	25	-	42	-	59	-
Special schools	51	1	53	1	56	1	55	-
Adult schools	27	-	25	-	24	-	22	-
Vocational schools	**106**	**1**	**105**	**1**	**107**	**1**	**104**	**1**
College-type schools	**67**	**15**	**68**	**15**	**70**	**17**	**70**	**18**
Higher schools	**15**	**-**	**15**	**-**	**15**	**-**	**15**	**-**

The Ministry of Education and Science is responsible for establishing, reorganising and closing state education institutions. County governors may also discharge these functions subject to the written consent of the Ministry.

Establishment, reorganisation or closure of non-governmental education institutions is the legal responsibility of legal persons registered in the Republic of Lithuania or of individual Lithuanian citizens, subject to the written consent of the Ministry of Education and Science. Legal and natural persons of other countries may establish education institutions or be the founders of joint education institutions upon receipt of the written consent of the Ministry of Education and Science. If education at private institutions leads to an education certificate recognised by the state, then a licence from the Ministry of Education and Science is required to teach at such institutions.

The data below (Table 2.2) show that although the private sector in education exists, its development is uneven.

Table 2.2 ***Private schools as a percentage of the total number of schools***

Type of school	1995-1996	1996-1997	1997-1998	1998-1999
General education	0.85	0.84	1.01	0.97
Vocational	0.94	0.95	0.93	0.96
College-type	22.39	22.06	24.29	25.71
Higher	0	0	0	0

Secondary education schools are subordinate to the municipalities, of which there are 56 in total. Subject to the written consent of the Ministry of Education and Science, municipalities are authorised to establish, reorganise and close primary, compulsory and secondary schools of all types, as well as to appoint and dismiss the principals.

The state-owned vocational and college-type schools are subordinate to three ministries (see Table 2.3).

Table 2.3 ***Number of state-funded vocational and higher schools by founders, 1998-1999***

Founder	Vocational schools	College-type schools
Ministry of Education and Science	63	37
Ministry of Agriculture	40	13
Ministry of Internal Affairs	-	2

Each ministry has a subdivision responsible for education, while development of the overall vocational education and training policy is assigned to the Ministry of Education and Science.

Pursuant to the Law on Science and Studies, higher schools are established, reorganised or closed on a proposal of the Government approved by the Parliament. The state higher schools are autonomous, although the state may regulate their activities by subsidies, state funded contracts and other legal means. The Department of Science and Studies has been established at the Ministry of Education and Science to develop higher education policy and to coordinate the activities of higher schools.

Traditionally, Lithuanians favour higher schools and the number wishing to study at universities is growing each year. This trend has strengthened during recent years, because employers prefer specialists with higher education. Generally, only the most able students enter higher schools.

The higher education reform process is enhancing rapidly the prestige of college-type schools and most college-type schools see their future in providing higher, non-university, vocational education. The noticeably higher skills of specialists who graduate from college-type schools are also serving to raise the status of college graduates in the eyes of employers.

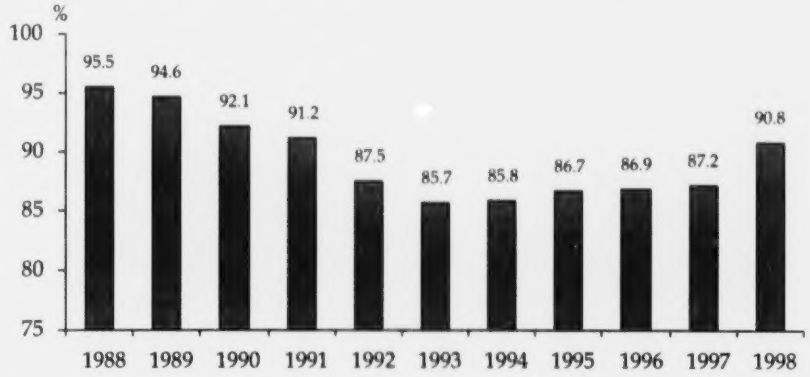
The prestige of vocational schools is growing, albeit slowly, as is evidenced by the increasing number of students who want to study at these schools.

Table 2.4 Number of students in educational institutions

At the beginning of academic year	Students, total	Including			
		Secondary school students	Vocational school students	College students	Higher school students
1990-1991	673,905	513,806	46,382	-	67,312
1993-1994	625,400	502,724	45,392	24,444	52,840
1994-1995	644,207	523,541	45,150	24,034	51,482
1995-1996	664,572	537,200	49,190	24,214	53,988
1996-1997	688,100	551,181	51,651	26,492	58,776
1997-1998	717,477	566,410	53,670	30,329	67,068
1998-1999	745,695	580,840	56,442	33,881	74,532

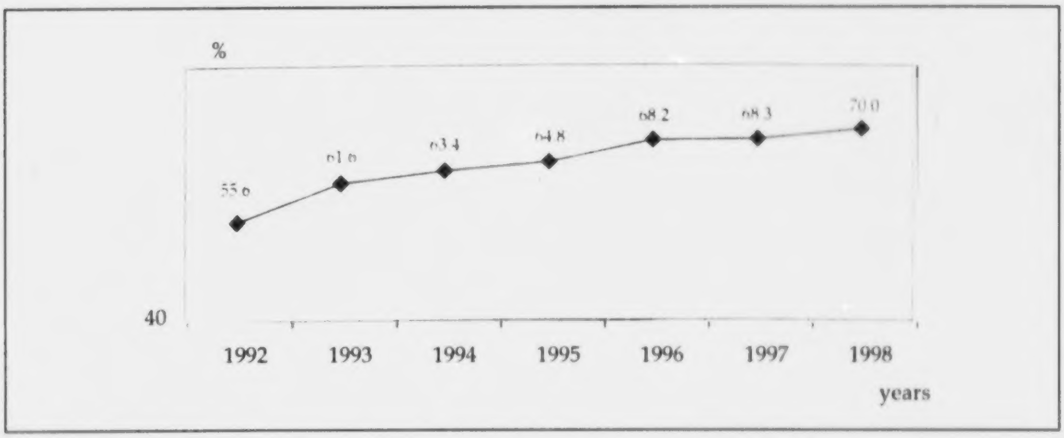
According to the 1992 Constitution, education is compulsory for persons under 16 years of age. However, analysis of the data shows that during the economic disruption from 1988 to 1993, there was a sizeable group of young persons who did not complete compulsory school.

Figure 2.1 Basic school students compared to the total population in the same age group



The situation was at its worst during the academic year 1993-1994 and in subsequent years steadily improved. However, according to Department of Statistics data, 6.6% of 11-15 years old children, approximately 20,000, were not attending the 5th to 9th grades of compulsory school.

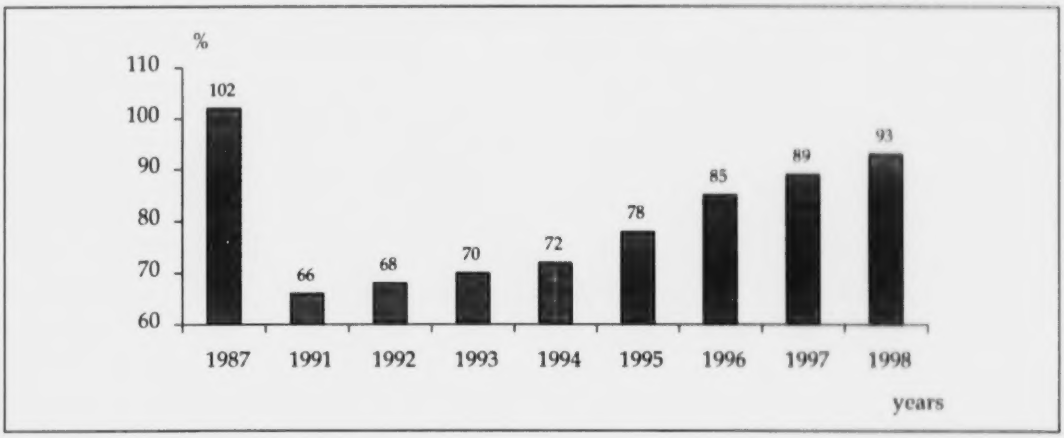
Figure 2.2 ***Share of students continuing studies at secondary school after graduating from compulsory school***



The chart shows that 1993 was a critical year. The sudden improvement illustrated a new attitude towards education and its necessity. This is reflected in the increasing number of students who continue studying at secondary school after they graduate from compulsory school.

Social and economic changes had a significant impact on the commitment of young people to acquire professional qualifications. The chart, below, presents the data on student enrolment at vocational schools, college-type and higher schools. The data shows that the need for a professional qualification was very low at the beginning of the reforms in 1990-1993, with one third of young people joining the labour market without a qualification.

Figure 2.3 ***Share of students entering vocational, college-type and higher education schools at the first opportunity, compared to the total population of the same age group***



Although the need to acquire a profession started to be recognised as early as 1992, a group of approximately 100,000 persons exists, who joined the labour market during the transitional period and who formally have no profession. Today, the growing demand for qualified specialists is stimulating interest in acquiring formal professional qualifications.

Table 2.5 Student admission to vocational schools

	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999
Applications submitted	20,460	21,677	23,256	23,045	26,874
Students admitted	17,898	19,388	20,740	20,507	21,448
Applicants per 100 admitted students	114	112	112	112	125

Vocational schools arrange admission competitions to select entrants (see Table 2.5). Often those who have graduated from secondary schools, also wish to acquire a profession, e.g., in 1998 they accounted for 20% of admitted students. The most regrettable feature is that, even on this lowest tier of vocational education and training, admissions are restricted due to scarcity of resources.

Figure 2.4 Flows into further education of graduates from different education institutions in 1998

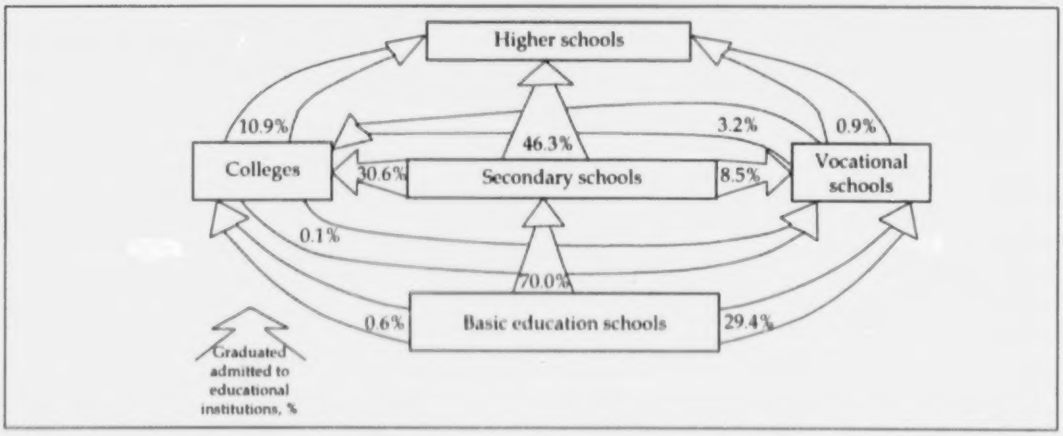


Figure 2.4 illustrates the flows of graduates from different levels of education in 1998. Analysis of the flows in 1996, 1997 and 1998 identifies the following trends:

- the number of students wishing to study at vocational schools after completing compulsory education remains almost unchanged;
- the flow of students wishing to continue at secondary school after completing compulsory education, and, subsequently, at colleges or universities is constantly increasing (see Table 2.4);
- the number of secondary school graduates wishing to study at vocational schools under the Stage IV programmes remains almost unchanged;
- the flow from secondary to higher schools is constantly increasing;
- the number of students who graduate from college-type schools and continue at universities is increasing; and
- although there is a rising trend, the number of graduates from vocational schools who continue at college-type or higher schools is very small.

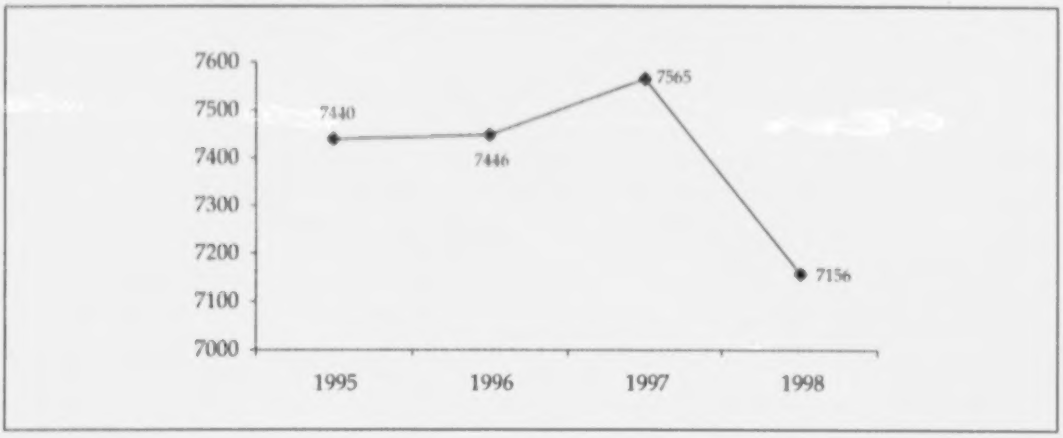
Table 2.6 Number of teachers and the student/teacher ratio (beginning of academic year)

Number of teachers	1995	1996	1997	1998
Secondary schools	48,164	48,925	49,460	50,200
Vocational schools	4,671	4,760	5,044	5,078
Colleges	3,941	4,007	4,292	4,589
Higher education institutions	8,749	9,129	9,214	10,594
Total	65,525	66,821	68,010	70,461
Students per teacher				
Secondary schools	11.0	11.1	11.2	11.3
Vocational schools	10.5	10.9	10.6	11.1
College-type schools	6.1	6.6	7.1	7.4
Higher education institutions	6.2	6.4	7.3	7.0
Total	10.0	10.0	10.4	10.4

In addition to the increasing number of students (see Table 2.4), the number of teachers and professors is growing also (see Table 2.6).

The students/teacher ratio has risen slightly but a comparison with the ratios in other European countries would suggest that the resources allocated to education could be used more efficiently.

Figure 2.5 Number of students at special schools



The Law on the Social Integration of the Disabled guarantees that, in accordance with the procedure set down by the Ministry of Education and Science, the disabled are provided with special means of training and teaching, and that places of learning are modified to meet their needs. Special schools cater for those children whose physical or mental disability is so serious as to prevent them from studying at general education schools.

In an effort to integrate more children with minor disabilities into traditional general education schools, the regulations of the Law on Education provides for more careful selection of students in special schools. The change in the number of students at special schools, of which there are 55, is reflected in Figure 2.5. The majority of special schools are for mentally and intellectually disabled children. There are 43 such schools catering for a total of 4,698 children.

In 1998, the Law on Special Education was adopted. The Law sets out the structure of special education, as well as basis conditions for managing and organising early and pre-school education, general education, vocational and college-type education, higher education and adult education of persons with special needs. In 1999, the Ministry of Education and Science and the Ministry of Social Security and Labour adopted a programme for Creating Learning Conditions for Socially Disturbed and Disabled Children. One of the measures in the programme aims "to provide support to projects dealing with the establishment of new education centres for disabled children and the modification of general education schools to the needs of the disabled". For this purpose, the state is planning to allocate LTL 800,000 from the 2000 to 2002 budgets.

One of the state's major concerns is to provide disabled children with an opportunity to acquire a profession so that they can find a place in the labour market.

Germany has provided a lot of support for the development of this particular area. On the basis of the Treaty on Cooperation in the Area of Culture signed by the German and Lithuanian Governments in Bonn on 21 July 1993, the Rehabilitative Vocational Training Centre of Lithuania has been established with the support of the German Government. From the very beginning, the Centre has cooperated with the South Hessen Vocational Training Institution so that the staff of the Centre has had an opportunity to exchange information about rehabilitative vocational training institutions, the problems faced and their solutions. Staff at the Centre have also been able to study the rehabilitation and vocational training activities of the partner institution, with a view to gradually changing over to the German model, which is designed to train specialists of the required level and qualification. Five years of cooperation resulted in the construction and equipping of a modern workshop in the Centre, the provision of equipment for laboratories, and student and teacher exchange activities. During the study tours, the teaching staff learned to use the modern equipment, picked up knowledge and new methods in the areas of organisation, management and production activities, and exchanged information on teaching content, examinations, changes in social pedagogy and psychological rehabilitation programmes. In 1998, the staff of the Centre began to participate in the exchange project "Social Integration of Vocational Training for Disabled Young Persons" under the Leonardo da Vinci programme. In the framework of this project, 15 teachers have been trained in Germany.

At present, basic vocational education of the disabled is offered in seven institutions (see Table 2.7). Although this is a good start, further development of the vocational education and training system for the disabled is necessary for the following reasons:

- the existing system is not able to provide vocational education for all disabled;
- there is a relatively narrow choice of professions (13 in all); and
- so far, efforts are focused only on persons with relatively insignificant disabilities.

Table 2.7 ***Basic vocational education of the disabled, 1998-1999***

School	Number of students
Rehabilitation Vocational Education and Training Centre of Lithuania	441
Zemaiciu Naumiestis Polytechnic School, Silute Municipality	168
Kaunas Rehabilitation Vocational School	142
Vilnius Rehabilitation Vocational Centre for the Deaf	88
Siauliai Boarding School "Gyvenimo kelias" (Way of Life)	53
Gelgaudiskis Boarding School	20
Vilnius Boarding School No 3	17
Total:	929

There are no special entrance privileges for disabled young persons at college-type and higher schools.

The Constitution and the Law on Equal Opportunities Between Genders of December 1998, guarantees equal opportunities between men and women. The law states that: "Education and training institutions shall ensure equal opportunities between men and women:

- when admitting students to vocational education and training institutions, college-type schools, higher education schools and qualification upgrading courses;
- when allocating scholarships and granting credits for studies;
- when selecting training programme participants; and
- when assessing knowledge.

Within their respective competence, education and training institutions shall ensure that the curriculum and textbooks include no propaganda of gender discrimination".

The data in Table 2.8 demonstrates that women tend to seek higher education more than men.

Table 2.8 ***Share of women at education institutions (beginning of academic year)***

	Women as a % of the total number of students				
	All schools	General education schools	Vocational schools	College-type schools	Higher schools
1990-1991	50.2	51.2	37.2	-	51.9
1993-1994	50.2	50.1	40.5	60.6	55.2
1994-1995	50.6	50.3	42.8	61.3	54.7
1995-1996	50.6	50.4	40.3	64.3	56.2

	Women as a % of the total number of students				
	All schools	General education schools	Vocational schools	College-type schools	Higher schools
1996-1997	50.5	50.3	38.8	65.3	56.3
1997-1998	50.7	50.1	39.1	66.2	57.7
1998-1999	50.7	50.1	39.2	65.2	57.8

The gender ratio differs in different areas of studies. During the past two years, women were in the majority, in colleges, in fields such as teacher training, health care and treatment, the catering professions, trade and business management, whereas men were predominant in transport and communications and engineering programmes.

In higher schools, women are in the majority in fields such as humanities, teacher training and pedagogy, and medical diagnostics and treatment. Women account for 60% of the total number of students in social sciences and psychology, fine and applied arts and business administration studies. An almost equal number of men and women study natural sciences and architecture. The "masculine" programmes, where women make up only 40% or less of the students, are law, physics, mathematics, computer and technical sciences.

There are pre-school education institutions and general education schools at all levels for ethnic minorities. These schools provide children and young people with the opportunity to acquire a general education based on their own culture through learning most subjects in their mother tongue. Lithuanian is one of the languages taught in such schools, since on graduating, a student must be sufficiently fluent to be able to continue education, including studies at higher schools, in the official language.

Statistics for recent years, shown in Table 2.9, illustrate the distribution of general education schools by teaching language.

Table 2.9 Distribution of schools and students by teaching languages

Schools, where the main teaching language is	1995-1996		1997-1998		1998-1999	
	Number of schools	Students (thousands)	Number of schools	Students (thousands)	Number of schools	Students (thousands)
Lithuanian	2,038	437.9	2,068	467.6	2,066	481.7
Russian	89	42.5	82	39.5	76	38.2
Polish	55	8.9	63	11.3	71	12.4
Byelorussian	1	0.1	1	0.1	1	0.1

The number of Russian schools and students attending them are getting fewer. Increasingly, parents of Russian nationality tend to send their children to Lithuanian schools. Since 1995/96 the number of students at Polish schools increased by 40% and several new Polish schools have been established.

In vocational and college-type schools, there are groups where teaching is conducted in Russian or Polish, although Table 2.10 suggests that, increasingly, people of nationalities other than Lithuanian choose to study in Lithuanian groups. The entrance requirements are the same for all: there are no entrance examinations and assessment is made on the basis of the average grade obtained in the school-leaving certificate.

Table 2.10 Number of students of nationalities other than Lithuanian at vocational and college-type schools

	Number of students				%			
	1995-1996	1996-1997	1997-1998	1998-1999	1995	1996	1997	1998
Vocational schools:								
Non-Lithuanians	6,100	6,395	6,589	7,578	12.4	12.4	12.3	13.4
Studying in Russian or Polish	5,024	4,752	4,756	4,769	10.2	9.2	8.9	8.4
Colleges:								
Non-Lithuanians	3,100	3,477	4,028	5,718	12.8	13.1	13.3	16.9
Studying in Russian or Polish	1,038	872	775	449	4.3	3.3	2.6	1.3

2.2.1 *Initial vocational education and training*

The essential purpose of initial vocational education and training is the preparation of qualified workers.

Initial vocational education and training is carried out by vocational schools, which admit persons of at least 14 years of age and older, who have no occupational qualification or who wish to take up another occupation as a qualified worker.

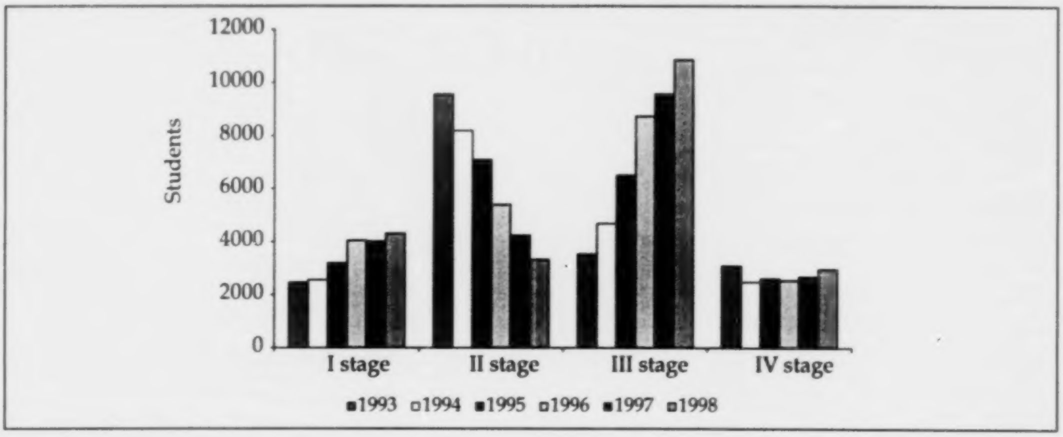
Vocational schools are subordinate to their founders. In the case of agricultural vocational schools the founder is the Ministry of Agriculture. Statistics show that, despite the recent years of economic difficulties, the Ministry of Education and Science and the Ministry of Agriculture have managed to preserve the networks of their schools.

Table 2.11 Vocational schools by founder

Vocational schools	1992-1993	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999
Ministry of Education and Science schools	63	63	65	63	66	63
Ministry of Agriculture schools	41	41	40	40	40	40
Private schools	0	3	1	2	1	1

Annexes B and C contain the regional distribution of vocational schools run by the Ministry of Education and Science and the Ministry of Agriculture. The maps show that the majority of Ministry of Education and Science schools are located in the larger cities, where industry and trade is concentrated, whilst the agricultural vocational schools are distributed evenly throughout the country, which seems logical considering the historically strong agricultural sector.

Figure 2.6 Student enrolment in vocational schools by stages



As explained in Chapter 2.1, education at the initial vocational education and training institution may consist of four stages. Analysis of the breakdown of students admitted to the different stages (see the Figure 2.6), allows us to make the following observations.

- The number of persons wishing to acquire an elementary professional qualification under the Stage I programmes is increasing. It may be assumed that the number of young persons who are disadvantaged or not motivated to finish education at a general education basic school is growing. Young people try to acquire a profession as soon as they can and to start earning their living. Even where they are registered with the labour exchange, such young persons are referred to vocational schools, since the labour market training centres admit 18 or post-18 year-olds, while younger persons are admitted only if they have been through initial vocational training. It should be noted that the general education reforms (see Chapter 2.1) and the change over to 10-years of compulsory education may cause even greater demand for the Stage I programmes.

- The number of applicants for Stage II programmes is steadily declining, whereas the number applying to Stage III programmes is growing. This tendency is to be expected, since the Stage III programmes, although being one year longer, provide a general education as well as an occupational training and students receive school-leaving certificates. Thus, a student, who has "tasted education", is provided with the opportunity to continue education and to enter college-type or higher schools.
- The number of applicants to the Stage IV programmes remains stable. Completion of these programmes confers the same qualifications as Stage II and III programmes. The Stage IV programmes are favoured by students who are either unable to pursue college-type education, or fail to enter higher or college-type schools due to strong competition.

The contents of initial vocational education and training include general education, general culture and vocational subjects, which are further divided into theoretical and practical training. Table 2.12 provides information on the distribution of subjects taught in the curricula of the different stages. The maximum workload for students is 37 academic hours per week

Table 2.12 Ratio of subjects taught at vocational schools (%)

Duration of training	Vocational education and training subjects (%)	General education subjects (%)	General culture subjects (%)	Supplementary education (%)
Stage I: 2 years	80.4		15	5
Stage I: 3 years	62	18.4	15	5
Stage II: 3 years	70.4		22.7	6.9
Stage III: 4 years	46	36.6	8.1	9.3
Stage IV: 1 year	80.7		15	4.2
Stage IV:1,5 years	84.2		11.6	4.2
Stage IV: 2 years	85.4		10.4	4.2

The general requirements of initial vocational education and training specify that practical training at vocational schools must comprise 70% of all time allocated to vocational subjects. The same document also lays down the essential material requirements: an institution must have all the classrooms, laboratories, training workshops, grounds and other premises required for each specialism according to the curriculum. However, since only 1.3% of the public funds allocated to vocational schools in 1998 was used to improve their material capacity, the only realistic possibility for schools to update the equipment is through participation in different projects. Employers contribute to strengthening the material capacity of schools, in a few cases only.

Eighty per cent of schools include, in their curriculum, an element of dual training involving work experience in an enterprise. Until 1999, only one school, Vilnius Polytechnic School No 2, which has been funded by the German Government since 1994, has been operating the dual curriculum. This is a 3.5-year pilot project to deliver the specialist qualifications of industrial mechanic and system technician. The first pilot group of students has successfully passed the final examinations and received their certificates. Since the results met expectations, the project has been extended for a further three years. On 01 July 1999, training commenced of two more specialist groups: energy systems electronics specialists; and tools mechanics. On September 1999, Ukmerge Polytechnic School followed the Vilnius model with a group of industrial mechanics. The teaching staff receive technical assistance and advice on various issues from the German colleges and Vilnius Polytechnic School No 2, which is already an expert in the field.

Practical training is usually carried out, during the first year, in the school workshops or in an enterprise, if there are not such facilities in the school. However, in some cases, practical training continues throughout the three years of studies. The work experience training may be arranged, in the second year, at school or in an enterprise depending on the specialism. For example, practical training in sewing technology is carried out in an enterprise during the second or third school year. The final period of practical training always takes place during the final six moths of the third year and is carried out in an enterprise, under the supervision of the vocational teacher. Frequently, students continue in these job placements after graduation.

The schools are constantly seeking opportunities to improve the quality of practical training and to improve the information exchange between schools and employers. Since most enterprises are quite small and not financially secure, it is difficult for them to invest resources in schools' training capacity, school management, upgrading of the qualifications of vocational teachers, study tours abroad etc. On the other hand, not all employers are willing to have trainees in their enterprises, since the students' education level does not always meet employers' expectations.

Most schools arrange joint sessions, during which the school and the enterprise exchange information and opinions with a view to finding ways to cooperate and solve employment-related problems.

More than 20% of schools carry out practical training in practical training companies located within the schools. This type of company was started, in 1993, in the framework of the joint project of the Lithuanian Ministry of Culture and three Danish business colleges.

The activities of the practical training companies are regulated by the SIMULITH Centre of Lithuania, which started operation in March 1994. The Centre is an associate member of EuroPEN and keeps in touch with similar centres in other countries. There are four divisions in the Centre: Registry, Bank, Post and Fair. In Autumn 1995, there were 16 such practical training companies in Lithuania. By January 1997, there were 25 and now, in 1999, there are 41 business practical training companies.

Vilnius Construction School No 1 has led the way with an interesting innovation, whereby training practice is carried out in a classroom equipped by the employer, the paint company "LI Sadolin". Students can attend seminars conducted by German and Estonian experts, familiarise themselves with modern technologies and learn how to use the modern materials.

Practical training is arranged through tripartite agreements between the school, the student and the enterprise and there is no national uniform system or standards. Most enterprises have no information about schools and the schools do not know which enterprises might be prepared to take trainees.

According to the data received from schools **job placements** are found in the following ways:

- 30% of students look for and find job placements themselves;
- 30% of students are assisted by their parents; and

- 40% of students have their practical training arranged by schools in enterprises or school workshops.

Ease of finding a place also varies according to the specialism. Schools report that tailors, hairdressers and salespersons have no problems finding a placement, especially in small towns. Sometimes students enter schools, particularly college-type schools, already having jobs, and, accordingly, do not face any difficulty in finding a placement.

Payment for practical training is settled by agreement between the parties. Employers may exercise the privileges provided for in the Law on Vocational Education and Training and Article 38 (I) of the Law on Value Added Tax offers a tax reduction to those enterprises that are involved in practical training of vocational and college-type school students. However, since there is no clear policy on how practical training should be carried out, the financial and procedural finer points remain unknown to the public. For these reasons, it is essential:

- to establish closer contacts between schools and employers through a mutual information exchange system, a data bank etc.;
- to draft and oversee selection criteria for enterprises which accept trainees;
- to make the practical training system more flexible and clear cut;
- to set out the financing mechanism in the legislative framework dealing with practical training; and
- to create and develop a practical training assessment system, with internal, external and mixed elements.

The Law on Vocational Education and Training, stipulates that state recognised initial vocational education be carried out following the curricula in the Register of Study and Training Programmes. The Register of Initial Vocational Education and Training Programmes was established and approved by Order of the Minister for Education and Science in July 1996. The Register lists the programmes by fields of activity. Each programme has its state code, minimum entry qualification, duration of education, and final professional qualification. Moreover, the qualification definitions in the programmes briefly describe the skills and knowledge acquired by a person on completing a particular programme.

In November 1996, the General Qualification Requirements for Initial Vocational Training were approved by an Order of the Minister for Education and Science, which aims to ensure transparency and equivalency of qualifications.

Development of a new or **reformed curriculum** is initiated by:

- the Methodical Centre for Vocational Education and Training, which is subordinate to the Ministry of Education and Science, and the Methodical Centre at the Ministry of Agriculture, having analysed demand for certain professions or specialisms, or upon receipt of relevant information from other ministries;
- the schools themselves, having analysed demand in their respective municipalities;
- employers, or organisations representing them, that place an order to train specialists in certain professions;
- founders of private schools;
- the Labour Market Training Authority; and
- other ministries and departments.

Training programmes are assessed by the Vocational Education and Training Expert Commission of the Ministry of Education and Science, and by external experts. The Expert Commission's activities are organised by the vocational schools division of the Ministry of Education and Science. Proposed training programmes are approved by the Director of the Department for Vocational Education and Training of the Ministry of Education and Science, on the basis of the expert advice.

To ensure guidance to young people on the choice of schools and professions available, the Ministry of Education and Science publishes a booklet, every Spring, called "Invitation to Study at Vocational Schools", which is always much sought after. Since the circulation of the booklet is fairly limited, 1,600/2,000 copies in 1997, 1998 and 1999, the weekly "Dialogas" (Dialogue) publishes a supplement called "Where to study" every year. These publications contain information on entrance requirements, procedures for submitting documents and detailed information on schools and programmes available.

In 1999, 116 different programmes were advertised. However, 51 of these were, each, only available in a single school in the country. Another 15 may be acquired in only two vocational schools, 9 in three schools etc. This shows that there are quite a lot of rather rare professions and that the regional units (counties) are too small to ensure a wide choice of professions, locally.

At the request of the Ministry of Education and Science, the National Labour Exchange provided data on 1998 graduates who registered with regional labour exchanges up to 01 January 1999, broken down by occupation. The occupations of decorator, joiner, welder and tailor headed the list. Agricultural schools data give particular cause for concern, as groups of 13-17 graduates from individual schools registered with labour exchanges, usually household economists, household masters and agricultural machinery mechanics. The relevant county Vocational Education and Training Council, the County Governor, representatives of regional labour exchanges and school principals must work together, urgently, to find a solution to this serious mismatch and to ensure that vocational training policy is an integral part of the general county development policy. Notwithstanding the above, when account is taken of the adverse economic situation, the total percentage of graduates from vocational schools who register with labour exchanges, 16%, is not excessive.

According to the data in Table 2.13, the dropout rate in vocational schools has increased and this remains a major problem.

Table 2.13 Dropout of students

Academic year	Number of students who left school during the academic year	Dropout rate	Including students who left school due to poor performance, %
1992-1993	4,856	11.4	36.0
1993-1994	4,579	9.9	35.7
1994-1995	3,840	8.4	38.7
1995-1996	4,163	8.4	38.9
1996-1997	4,730	9.1	36.7
1997-1998	4,896	9.0	43.0

Unfortunately, traditional statistics provide no indication of when the highest dropout rate occurs and what causes it. However, it is clear that the increasing incidence of students leaving school due to poor performance is due to several reasons: a lack of personal motivation; dissatisfaction with teaching methods; disappointment with the chosen occupation; lack of self-confidence; and insecurity about their future. The inadequate career guidance and advice system (see Chapter 2.3.2) is also a major contributory factor.

Statistics on the teaching staff of vocational schools is provided in Table 2.14.

Table 2.14 Teaching staff of vocational schools (beginning of academic year)

	1995-1996	1997-1998	1998-1999
Teaching staff, total number	4,671	5,044	5,078
Female staff, %	60.4	62.3	63.5
Principals	106	107	104
Deputy principals	221	223	216
Teachers	1565	1770	1852
Vocational teachers	2,567	2,704	2,686
Tutors	212	237	220

In 1998/1999, 67.2% of vocational school teachers had higher education degrees, 27.5% had college-type education and 5.3% had secondary education. These are relatively good indicators. At the beginning of the academic year 1998/1999, 11 teachers were employed at the only private vocational school, of which 54.5% had higher education. Teaching staff also take part in qualification upgrading programmes.

The dominant age group of teaching staff at vocational schools is 30-50 years, which includes 64.2% of all teachers. Of the total number of teachers, 10.2% are under 30 years old and 25.4% are over 51 years old. Looking to the future, it would be desirable to encourage young teachers and help them upgrade their qualifications and, overall, to revise vocational teaching staff training and the operation of the qualification upgrading system.

2.2.2 *College-type studies*

College-type schools (*conservatoires*) provide general and vocational training to associate specialists, who can work independently in industry, agriculture, education, medicine, art, business and other fields. Associate specialists are capable of managing small groups of employees and assist the specialists with higher education qualifications. A brief description of college-type studies is provided in Chapter 2.1.

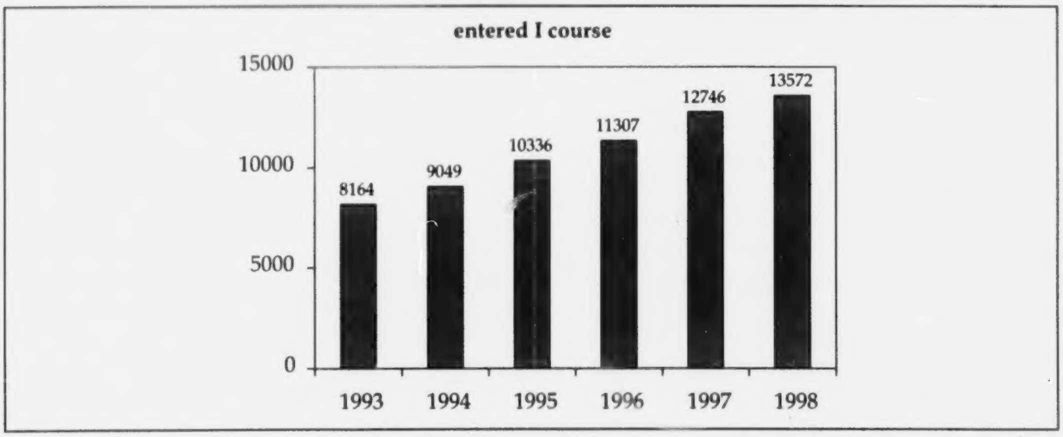
College-type schools are controlled by their founders. Table 2.15 presents the data for 1998-1999 on school distribution by region and founder, from which it is immediately apparent that college-type schools are concentrated in the most developed counties, Vilnius, Kaunas and Klaipeda. College-type studies are a new and rapidly developing sector of vocational education and training. The schools were established in 1991 to replace the reformed technical schools. The breakdown of admissions to this type of school is shown in the Figure 2.7.

Table 2.15 College-type schools by founder and region

	Number of college-type schools				
	Total	Ministry of Education and Science	Ministry of Agriculture	Ministry of Internal Affairs	Private
Total in Lithuania	70	37	13	2	18
Alytus county	1	1	-	-	-
Kaunas county	16	8	3	-	5
Klaipeda county	12	5	2	1	4
Marijampole county	2	1	1	-	-
Panevezys county	7	4	1	-	2
Siauliai county	5	3	1	-	1
Taurage county	1	-	1	-	-
Telsiai county	2	1	1	-	-
Utena county	3	2	1	-	-
Vilniaus county	21	11	3	1	6

College-type schools are becoming more popular every year. According to statistical data collected by the Department of College-type Studies of the Ministry of Education and Science, in 1998-1999, there were, on average, three applicants for one place in these schools. The highest number of applicants (6.15 for each place) was in Kaunas Economy College.

Figure 2.7 Admissions to college-type schools



There are, on average, 484 students per state-funded college-type school and 192 students per private school. The number of private college-type schools has increased from three in 1993 to 18 in 1999 and the number of students has increased from 388 to 3,452 over the same period (see Table 2.16). Until 1996-1997, some students at college-type schools followed the programmes of technical schools. Table 2.16 gives the total number of students.

Data in Table 2.16 show that during the period from 1993 to 1998 the number of adults studying increased more than threefold. Correspondence tuition departments increased from 24 in 1995 to 37 in 1998. Although these studies take longer than full-time studies, they are more convenient for those who do not want to leave their jobs. Nevertheless, there is still a serious lack of variety in college-type schools: in 1998-1999, there were only two evening departments and almost no distant learning facilities.

Table 2.16 Students at college-type schools

	1993-1994	1994-1995	1995-1996	1996-1997	1997-1998	1998-1999
State-funded college-type schools						
Total	24,056	24,034	24,212	26,492	30,329	33,881
Full-time department	21,560	21,393	21,079	21,956	24,386	25,927
Evening departments	36	137	113	99	153	106
Tuition by correspondence departments	2,460	2,504	3,022	4,437	5,790	7,848
Private college-type schools	388	1,324	1,860	2,007	2,647	3,452

It is planned to confer the status of non-university higher schools on those college-type schools, whose level and quality of studies corresponds to the level of non-university higher studies in European countries. In 1994, Lithuania joined the European Association of Non-University Higher Schools but college-type studies are not yet recognised as a part of the higher education system. Discussions on further development of the higher education system have been ongoing since 1997 and one of the key decisions was conferring the status of non-university higher education on the college-type study programmes. There were several impulses behind this decision.

- On the initiative of the Ministry of Education and Science, the Phare Vocational Education and Training Reform Programme prepared the White Paper on Vocational Education and Training, which was the first official document that expressed the necessity to introduce a non-university higher education sector and proposed to form this sector through the further development of the existing college-type schools.
- Parliament commenced drafting of a new Law on Higher Education, which is intended to provide a legal basis for the non-university higher education sector and a group of experts was formed to prepare a White Paper on Higher Education.
- A programme to reform higher education is under way and one of its goals is to rationalise the higher education sector by bringing college-type schools closer to higher education. Development of a method to assess the quality of studies at college-type schools has been identified as the main goal of the programme for the current year.

These steps should result in a well-coordinated binary higher education system, since college-type education reform has started with self-analysis, revision of the curriculum, improvement of the internal quality assurance mechanisms etc.

College-type study programmes consist of the following groups of subjects:

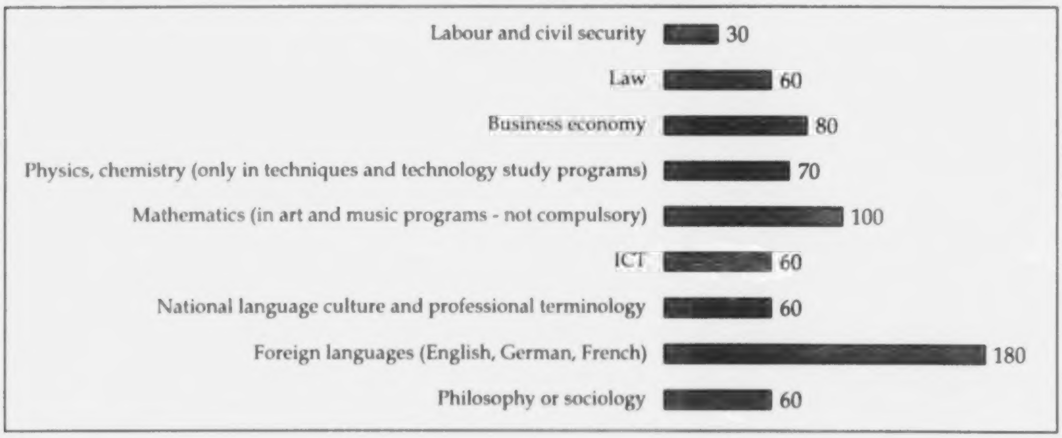
- general subjects, including philosophy, foreign languages etc.;
- special subjects, further divided into general studies, specialisms and specialisation; and
- optional subjects.

The emphasis is on the practical and applied nature of the knowledge and at least 30% of the total study time is allocated to practical training.

Transparency and equivalency of programmes are guaranteed by the Register of College-type Study Programmes approved by the Order of the Minister for Education and Science in June 1996, as well as by the Requirements for College-type Study Programmes, approved in November 1996.

The list of general subjects, and their scope, at college-type schools is laid down by the Ministry of Education and Science. Table 2.8 lists the compulsory subjects and the minimum number of academic hours per annum.

Figure 2.8 List of general subjects



College-type schools, including private schools, propose programmes to the Ministry of Education and Science, where they are assessed by the Central Expert Commission and invited experts. The activity of the Expert Commission is organised by the Department of College-type Studies of the Ministry of Education and Science. The programmes prepared by the schools are approved by the director of the Specialists Training Department based on conclusions of the Expert Commission and following consultation with the Ministry of Education and Science. The study programmes of schools run by bodies other than the Ministry of Education and Science are approved by the founder of the school subject to consultation and coordination with the Director of the Department for Vocational Education and Training of the Ministry of Education and Science.

Detailed information on entrance requirements and admission procedure in college-type schools is published annually in the Ministry of Education and Science publication "What to study at college-type schools". Due to increased demand, its circulation was increased from 2,000 copies in 1997 to 3,500 copies in 1999. Private schools publish advertising leaflets of their own.

Based on 1998-1999 admissions, the most popular study programmes in college-type schools were accounting, enterprise administration, business administration, nursing and computer programming. 1998 data on graduates registered with labour exchanges demonstrate some regional characteristics of college-type graduate unemployment: business and enterprise administration specialists who are much in demand in Vilnius are in surplus in Kaunas, Siauliai and Alytus; and nurses are in surplus in the larger cities. However, the overall number of unemployed graduates is not high, since only 6.5% of all graduates have registered with labour exchanges.

It is particularly noteworthy that not a single graduate of private college-type schools registered with the labour exchange in 1998. The majority of private schools focus their study programmes on business and management and, a few, on arts. The most popular study programmes are business administration and organisation, accounting, law and clothes design.

Table 2.17 Regional distribution of college-type study programmes

Number of study programmes	Number of schools that advertise admission to the study programme
74	1
18	2
8	3
9	4
6	5
2	6
1	8
2	10 or more
Total: 120	

In 1999, 120 admission programmes were advertised. The distribution of programmes by number of schools is shown in Table 2.17, from which we can see that 74 occupations are each taught in only one college-type school in Lithuania, 18 professions can be acquired at two college-type schools etc. This, naturally, causes young persons to move around the country in order to enter the programme of their choice. On the other hand, despite public transportation allowances for students, not all can afford to study in large cities, where living costs are higher than in small towns. Many parents, agricultural workers in particular, do not earn enough to support a student in a large city.

Table 2.18 Dropout students at college-type schools

Academic year	Number of students who left school during the academic year	Dropout rate, %	Academic failures, %
1992-1993	3,060	10.2	57.1
1993-1994	2,400	10.1	57.8
1994-1995	2,736	11.5	40.1
1995-1996	2,554	10.4	57.6
1996-1997	2,967	10.9	62.5
1997-1998	4,126	13.4	50.0

The student dropout rate, which is quite high (see Table 2.18), is caused by a number of factors:

- the attempt, by many students, to combine studies and a job;
- poor performance academically;
- disappointment with the chosen occupation, etc.

Unfortunately, the available statistics are insufficient to carry out a detailed analysis of the dropout phenomenon.

Table 2.19 sets out the number of college-type schoolteachers by education level over the past four academic years.

Table 2.19 Number of college-type school teachers by education and year

	1995-1996	1996-1997	1997-1998	1998-1999
Teachers, total	3,941	4,007	4,292	4,589
With higher education	3,735	3,811	4,071	4,377
Their share of the total (%)	94.8	95.1	94.9	95.4
With college-type education	187	172	195	193
Their share of the total (%)	4.7	4.3	4.5	4.2
Female teachers	2,570	2,670	2,882	3,140
Their share of the total (%)	65.2	66.6	67.1	68.4

In 1998/99, teachers with higher pedagogical education amounted to 40.3% of all teachers with higher education.

The number of college-type schoolteachers with scientific degrees has increased from 4.9% in 1996 to 5.8% in 1997. In private college-type schools, such teachers constitute 50% of the total teaching staff. Many employees of universities and science institutions who have scientific degrees are also engaged in college-type schools as part-time teachers delivering specialised courses.

According to official statistics, the **student-teacher ratio** was 7.4, in 1998-1999 but this is slightly distorted because part-time teachers are also included. If only full-time teaching positions are calculated, the ratio would be 11-12 students per teacher. The student-teacher ratio also depends on the occupational profile of the school. The following is an approximate estimation of the student-teacher ratio in the different fields of study:

Economy, finance, business, administration	17
Engineering, technology	15
Health care, social work	10
Teacher training	6
Art, music	3-4

The lowest student-teacher ratio is in the art and music study programmes, since most study time is taken up with individual work with a student. The same reason applies for teacher training: education colleges train preschool and primary school teachers, and much attention is paid to their education in music.

Higher education

Until 1998, university higher education could be obtained at 15 higher education schools, of which nine were universities and six were academies. The first non-governmental higher education school in Lithuania, the Vilnius Saint Joseph Seminary, was registered in 1999. Table 2.20 gives a breakdown of the number of students at higher schools during the past four years.

Table 2.20 Number of students in higher education by institution

	Institution	Year of	Number of Students			
		Founding	1995-1996	1996-1997	1997-1998	1998-1999
1.	Vilnius University	1579	10,425	10,983	12,578	14,069
2.	Kaunas Medical Academy	1919	3,112	3,110	3,167	3,184
3.	Vytautas Magnus University	1922	2,547	2,980	3,296	3,795
4.	University of Agriculture	1924	4,199	4,565	4,668	5,331
5.	Academy of Music	1933	936	956	984	1,072
6.	Institute of Physical Education	1934	1,344	1,509	1,831	2,084
7.	Vilnius Pedagogical University	1935	4,686	4,929	6,726	7,485
8.	Academy of Veterinary Studies	1936	673	651	706	862
9.	Vilnius Academy of Arts	1940	973	1,056	1,171	1,256

	Institution	Year of Founding	Number of Students 1995-1996	1996-1997	1997-1998	1998-1999
10.	Kaunas University of Technology	1950	9,583	10,759	11,943	13,261
11.	Siauliai University	1954	3,754	3,965	5,132	5,644
12.	Vilnius Gediminas Technical University	1965	5,740	6,750	7,581	8,472
13.	Law Academy	1990	1,958	2,060	2,540	3,222
14.	Klaipeda University	1991	3,688	4,208	4,312	4,463
15.	Military Academy	1994	350	295	433	550
		Total	**53,968**	**58,776**	**67,068**	**74,532**

The Constitution states "Higher education shall be accessible to everyone subject to their abilities". Education is free for students with top-level grades if they are citizens of Lithuania and these students also receive a scholarship of LTL 120, on average. Other students have to pay a tuition fee, which varies according to the school and the specialism. In 1998-1999, it varied from LTL 650 to LTL 8,125 per year for citizens of Lithuania and from USD 1,300 to USD 3,000 for non-citizens.

Admission to higher schools increases each year and there are similar growth trends for basic studies, master studies and doctoral studies. Basic studies, specialised studies and master degree programmes may be taken full-time, part-time or in evening classes. Doctoral programmes can only be taken on a full-time basis.

Table 2.21 Number of students in specialised, master and doctoral studies

	1995-1996		1996-1997		1997-1998		1998-1999	
	Total	Share of female students	Total	Share of female students	Total	Share of female students	Total	Share of female students
Specialised studies and master programmes	7,142	47.7	8,147	54.0	13,008	59.3	14,795	59.1
Doctoral programmes	1,073	44.0	1,288	45.7	1,476	48.6	1,875	51.8

There are five evening and 11 part-time studies departments in the universities and they are attracting a rapidly growing number of students. There is a particularly significant increase in the number of female students in evening studies departments, which can be attributed to the fact that evening study allows women to combine studies with work or with having small children.

- rejection of the communist ideology;
- avoidance of narrow specialisation;
- provision of basic business knowledge to all students; and
- coordination of specialisms taught with the needs of the labour market by rejecting unmarketable programmes and drafting entirely new ones as required

In 1991, the Law on Education, which set out the conceptual provisions of the education reform and built a legal foundation for restructuring the education system, was adopted. The Law also specified vocational education and training as one of the constituent parts of the education system, although adult education was mentioned only briefly.

The general principles underlying reforms in all areas of the education system are described in detail in the Education Policy of Lithuania which was drafted in 1992 and approved by the Government and Parliament in 1993. Under the timetable for restructuring the vocational education and training system, it was planned to complete the first stage of education reform in 1997.

With the emergence of unemployment in 1990, the Labour Exchange was established under the Ministry of Social Security and Labour and the Law on Employment was adopted. This law set forth the general procedure for training, retraining and requalifying the unemployed population but did not specify the training institutions to be engaged in such training. Nonetheless, the construction of the labour market training system was commenced. The funds to finance the system were allocated from the Employment Fund, which was formed in 1991 (see Chapter 7).

The establishment of the Labour Market Training Authority under the Ministry of Social Security and Labour in 1992, was a further step in the development of labour market training. The main task of the Authority was to organise adult vocational training, and to provide advisory services to the unemployed and students and their parents on issues concerning choice of occupation. To accomplish this task, 6 regional labour market training services were established in the counties of Vilnius, Kaunas, Alytus, Panevezys, Siauliai and Klaipeda and 15 labour market training centres were also established.

In 1992, the Labour Market Training Authority received financial and Methodical support in adult education planning as a part of the cooperation agreement between the Lithuanian Ministry of Social Protection and Labour and the Danish Ministry of Labour.

In 1993-94, the European Union Phare programme for the development of the labour market training system for the unemployed, worth ECU 2 million, was implemented in Lithuania. The Phare funds and the support from the Danish Government were combined to greatly boost the efforts of the Labour Market Training Authority to upgrade the labour market trainers' qualifications, to replace training centre equipment, to draft the modular training structure and to design the training modules.

Thus, the first stage of education reform focused on building the labour market training system. There was no significant investment in reform of the initial vocational education and training system and the heaviest workload was placed on the schools. During this phase of reform, bilateral contacts between the Ministry of Education and Science and some individual schools in various West European countries was very valuable. Germany was particularly supportive through the TRANSFORM Consulting Programme of the German Government which ran from 1992 until 1999. Many contacts were also established with Denmark, Norway, Sweden, Finland, Canada. Somewhat weaker relations were established with Austria, the United Kingdom and the Netherlands.

A new phase of reform started in 1994. There was increased investment in reform of the vocational training system and a coherent reorganisation of the system was implemented, taking into consideration the experience of other European countries.

The first important step was the development of the Register of Study and Training Programmes, based on the ISCED classification system.

In 1994, the Government selected vocational education and training as one of its Phare priorities. The Financing Memorandum was signed by the Phare Management Committee and the Government of Lithuania on 10 March 1995 and, in November 1995, a two-year ECU 4 million programme started. The Financing Memorandum set out the Programme objectives. The broad objective was to assist the Government in modernising and reforming the secondary and adult vocational education and training system as key elements in the social and economic reform process.

The European Union Phare Programme for Vocational Education and Training Reform, which started in 1995 in Lithuania, has been a particularly strong stimulus to reform. Although, directly, the programme has influenced less than 20% of all the vocational training and education institutions - 12 vocational schools, 12 college-type schools and 3 labour market training centres -, indirectly, it has stimulated the entire system.

During the period 1995-1998, the strategy for further vocational education and training reform was developed. Several important policy documents were drafted, including:

- the Law on Vocational Education and Training (1997);
- the White Paper on Vocational Education and Training (1998); and
- the Action Plan to Implement the Reforms Specified in the White Paper (1998).

These policy documents formulated the following key principles of subsequent vocational education and training reform.

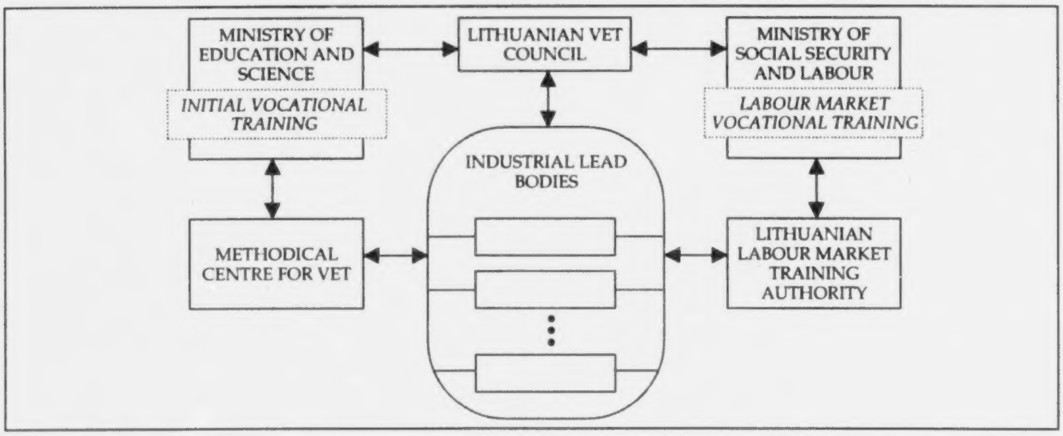
- There should be an indivisible system of initial and labour market vocational training, thus creating optimum conditions for implementation of the lifelong learning concept.
- Social dialogue should be developed comprehensively and on a variety of levels as a tool to increase the efficiency of vocational education and training.
- Uniformity and transparency of vocational education and training should be the objective and, to this end, a national system of occupations and vocational education and training standards should be developed.
- To ensure labour mobility, the rules on the regulation of professions and on the recognition of professional qualifications, as set out in EC Directive 92/51 and other European Union legislation, should be implemented in the vocational education and training system.
- Training vocational teachers and upgrading their qualifications are identified as key priorities.
- Favourable conditions for developing practical training in enterprises should be created, making use of mechanisms such as reduction of value added tax for enterprises engaged in practical training of vocational and college-type students.
- Development of vocational education and training research activities is a critical factor to success of the reform.
- A vocational education and training quality assurance system should be developed.

2.3.2 Special aspects

The quality of a service is measured by the extent to which it meets the need of the clients. In this case, the service is vocational education and training and the clients are students. The ultimate goal of students is to be employed in the profession chosen and it is obvious that employment opportunities depend directly on the quality of vocational education and training and how it matches labour market development.

Interaction between the vocational education and training system and the labour market is manifested on four levels (see Figure 2.9): national; branch; institutional; and assessment of knowledge acquired.

Figure 2.9 Links between vocational training and the labour market


MINISTRY OF EDUCATION AND SCIENCE
INITIAL VOCATIONAL TRAINING
LITHUANIAN VET COUNCIL
MINISTRY OF SOCIAL SECURITY AND LABOUR
LABOUR MARKET VOCATIONAL TRAINING
INDUSTRIAL LEAD BODIES
METHODICAL CENTRE FOR VET
LITHUANIAN LABOUR MARKET TRAINING AUTHORITY

On the national level, the Vocational Education and Training Council, functions as an advisory body on the issues concerning vocational education and training. The Council consists of representatives from the state institutions, employer and employee organisations and training institutions. On the economic branch level, Lead Bodies have been established to act in an advisory role in the process of policy development in the relevant branch of the economy. Following the tripartite partnership principle, the Lead Bodies represent, equally, the education system, employers and trade unions. On the institutional level, the interaction between the labour market and the vocational education and training system is carried out through direct contact between schools and enterprises. On one hand, the practical training of students is conducted in specific enterprises and on the other, employers participate in management of schools, through the School Council. The Examinations Commission which is approved by an institution representing the employers, such as the Chambers of Commerce, Industry and Crafts or the Chamber of Agriculture, assesses the students' knowledge.

The quality of vocational education and training is determined by the range of professions and specialisations provided, the curricula on offer, the vocational advice and guidance system, and the teachers' qualifications and experience. It is assessed and checked by means of the vocational education and training regulations and standards.

Since 1990, curriculum development has been delegated to schools, which has resulted in a wide choice and variety of programmes. In 1994, the Ministry of Education and Science initiated systemisation of all training programmes by economic branch and, as a result, the Register of Study and Training Programmes was approved in 1996. The Register was the first document regulating vocational training curriculum requirements on the national level.

The principal vocational education and training regulations are:

- the Register of Study and Training Programmes (1996);
- the Law on Vocational Education and Training (1997);
- the levels of vocational education (1997);
- the general requirements for study and training programmes (1996 - 1997); and
- the structure of vocational education and training standards and procedures for formalising the standards (1998).

Observation and implementation of these regulations is mandatory (see Chapter 6).

The theoretical model for developing standards is presented in Figure 2.10.

Figure 2.10 Theoretical model for development of standards

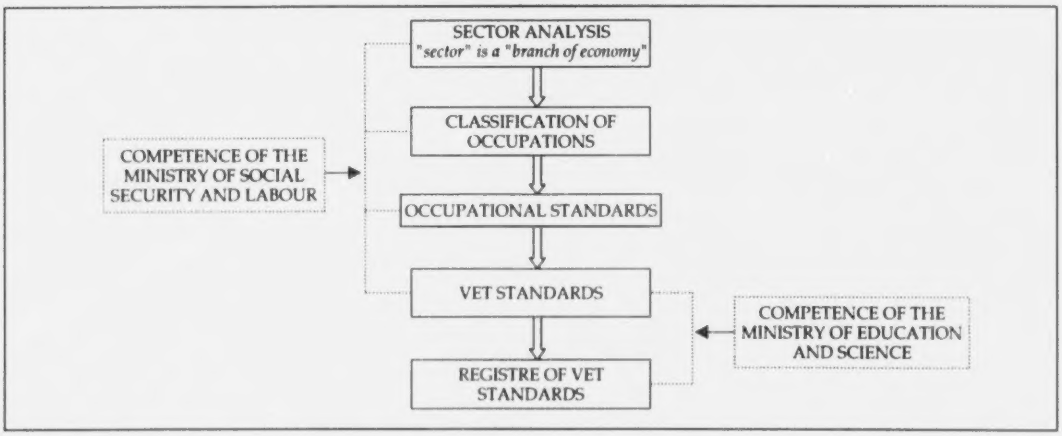

SECTOR ANALYSIS
"sector" is a "branch of economy"
CLASSIFICATION OF OCCUPATIONS
COMPETENCE OF THE MINISTRY OF SOCIAL SECURITY AND LABOUR
OCCUPATIONAL STANDARDS
VET STANDARDS
COMPETENCE OF THE MINISTRY OF EDUCATION AND SCIENCE
REGISTRE OF VET STANDARDS

Figure 2.10 represents not only a consistent standards development process but also a division of responsibilities between the Ministry of Social Security and Labour and the Ministry of Education and Science. Sectoral analysis is a critical factor in selecting high demand professions and identifying qualifications and, at the same time, it guarantees the suitability of training to labour market needs. As the actual users of the vocational education and training service output, employers should be particularly involved in this stage of education, since the success of business depends on the qualifications and capacity of employees. Unfortunately, surveys of the relevant industrial sector on the national level are only very rarely carried out. In any event, employers' organisations are weak and not capable of formulating general qualification requirements for the vocational education and training system. This severely hinders the development of occupational standards and, to all intents and purposes, they do not exist at all. Furthermore, the structure of occupational standards has not yet been approved, although the draft Classification of Professions prepared by the Labour Market Training Authority was approved in summer 1999.

Development of vocational education and training standards is organised by two institutions: the Labour Market Training Authority for stages I and II; and the Methodical Centre for Vocational Education and Training for stages III and IV. It remains open to question whether there is a need to develop standards for stages I and II.

Groups of experts in certain branches of the economy, Lead Bodies, have been established at the Methodical Centre for Vocational Education and Training since 1997. The Lead Bodies are required to define priorities for the development of occupational and vocational education and training standards. The White Paper on Vocational Education and Training envisaged the establishment of 14 Lead Bodies. This task has been accomplished, and Lead Bodies have been established in the following areas:

- teacher training;
- applied arts, handicrafts, design, printing trades;
- business, retail trade, management, administration, office services;
- financial services (banking, accounting, insurance, taxes etc.);
- health care, social work;
- constructions and wood processing;
- energetics, electro-technics, electronics, telecommunications;
- mechanics, mechanical repairs, metal processing;
- chemical and oil industries;
- light industry (textile, clothes making, footwear manufacturing etc.);
- agriculture, forestry, fishery, food processing;
- household and household services;
- transportation and transit services; and
- tourism, hotels, restaurants, public catering.

Identification of priorities is followed by formation of work groups. Since there are no occupational standards, it is necessary to conduct an analysis of the situation with a view to identifying the qualification requirements. The draft vocational education and training standard prepared by the work groups must be approved by a relevant Lead Body, then coordinated with a relevant competent institution and submitted, by the Lead Body, for ratification to the Ministry of Social Security and Labour, in the case of stages I and II of vocational education and training, or the Ministry of Education and Science in the case of stages III and IV. In 1997, the Methodical Centre for Vocational Education and Training carried out development of 4 pilot vocational education and training standards for stage IV. The first standard, general nurse, was approved in October 1998, when the structure of the vocational education and training standard - the title page, the general description, professional qualifications, aims of teaching, final assessment - and the ratification procedure were confirmed. The remaining three standards, accountant, physiotherapist and ergotherapist, were ratified in 1999. In the very near future the vocational education and training standards for joiner (stage III), builder (stage III), waiter-bartender (stage III) and tourism administrator (stage IV) should be approved. Development of standards for business managers, secretaries, hairdressers and other professions has commenced. The pilot analysis of professions and qualifications conducted, at the end of 1998, by the Labour Market Training Authority experts and the specialists from the Methodical Centre for Vocational Education and Training was a significant landmark. Analysis of the financial services, mechanics and light industry areas revealed that the most popular professions are accountant-cashier, auto-mechanic and tailor. Based on the qualifications identified, the development of vocational education and training standards for these professions has begun.

In conclusion, one can say that, while much good work is being carried out in this area, the passivity of the social partners and the lack of resources are severely impeding the standards development process.

Curriculum development is based on the understanding, that there should be a core common to the entire country, i.e., standards, and an optional part, i.e., teaching methods and organisation, forms, approved programmes and manuals. In the event that the standard is not developed yet, the school prepares a programme in line with the Register of Study and Training Programmes and other policy documents concerning curriculum development. Training programmes are subject to approval by the founder of the institution, subject to coordination with the employers and Ministry of Education and Science.

As already mentioned, the vocational attainment of students is determined by the Examination Commission. According to the Law on Vocational Education and Training (1997), the Commission should consist of equal representation of employers, trade unions and vocational teachers. In practice, the Commission is formed according to the final qualification examination procedure approved in 1995 and its composition is approved by organisations representing employers, such as the Chamber of Commerce, Industry and Crafts and the Chamber of Agriculture. The school, itself, organises final qualification examinations and prepares the examination papers, which are approved by the chairperson of the Commission – a representative of the employers. The contribution of the social partners, the trade unions in particular, to arranging the examinations is minimal. Research indicates that training institutions are not sufficiently concerned with the participation of trade unions in the vocational education and training process. Representatives of trade unions were not invited to participate in the pilot final qualification examinations of initial vocational education and training institutions which took place in Panevezys county, in1998 but, on the other hand, the trade unions did not feel the need to contact the schools either.

In 1999, the Law on Vocational Education and Training was supplemented with an article dealing with allocation of resources to enable the social partners fulfil their functions. At present, these resources do not exist and this prevents implementation of provisions contained in the Law.

College-type school students seeking a graduation and education attainment certificate must take a mandatory final examination set by specialist teachers or write a thesis on topics proposed by thesis advisors. Assessment is a responsibility of the qualifications commission, which consists of three specialist practitioners - a specialist teacher, a representative of the school administration and a secretary of the commission. Composition of the commissions is subject to the approval of the school Principal.

ANNEX E (vocational schools) and ANNEX F (college-type schools) contain data on the most popular occupations. It should be noted that the majority of these occupations are also in demand on the labour market, e.g., builder, tailor, accountant etc. The profession of household economist deserves special mention: it is usually offered by the agricultural schools, where the choice of specialisms is quite narrow. This is partly the cause of its popularity as an occupation, since according to the labour exchange, it is difficult to find jobs for the graduates. Students entering vocational schools choose programmes at different levels (see ANNEX E). Completion of a level I training programme leads to a qualification certificate as a semi-qualified employee, while completion of levels II, III or IV leads to a diploma as a qualified employee. Only those who complete level III or IV training programmes may continue education at college-type or higher schools. After acquiring a college-type school diploma as associate specialist, a college-type student may continue studies at higher schools.

Development of vocational training and career guidance

Active employment measures are designed to equip those without a job or looking for a new job to compete better on the labour market by encouraging them to take responsibility for their own lives and providing them with work experience opportunities and advice on a possible change of occupation or profession.

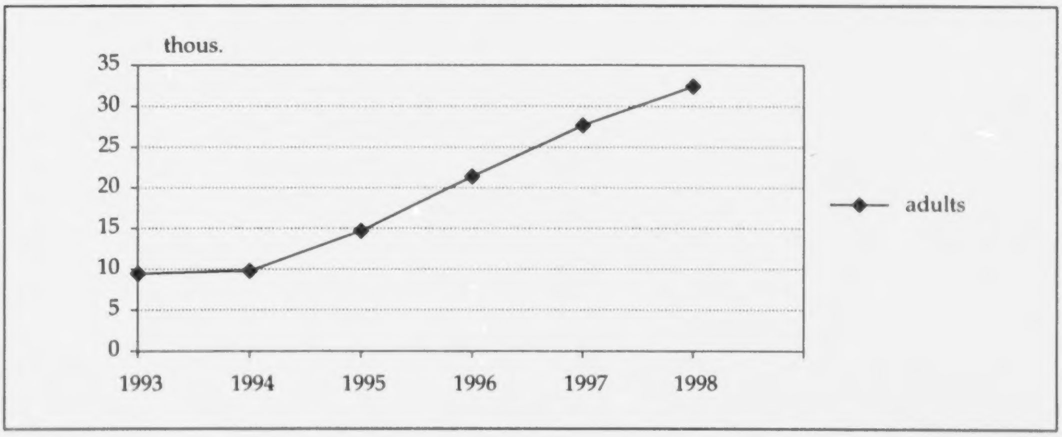
Lithuania has implemented both Paragraph 4 of Article 1 of the European Social Charter which commits the signatory "To arrange and develop vocational guidance, training and retraining"; and Convention No 142 of the International Labour Organisation regarding access to vocational guidance and counselling services.

The main goals of vocational guidance and counselling are to provide a person with all the relevant information on vocational training institutions including the entrance and study conditions, the labour market training system, the nature and qualifications required for different professions and the opportunities for employment. To deliver this service, use is made of computer databases, special information publications, advertising leaflets and films about different professions and occupations.

Responsibility for vocational counselling and guidance lies with the Ministry of Social Security and Labour. Today, there are six vocational guidance and psychological advice centres within the Labour Market Training Authority system, all located in the larger cities. These centres employ qualified psychology and pedagogy specialists and It is planned to establish similar centres in all 10 counties of Lithuania by 2005.

Every centre uses standardised vocational guidance measures designed for advising students, their parents, those seeking to improve their qualifications and those who are unemployed or have lost contact with the labour market.

Figure 2.11 Counselling of adults, by regional labour market training services



In 1998, the Labour Market Training Authority attempted to involve more unemployed persons in group activities. According to surveys of the psychological support and self-activation group members, participants acquire new skills which help them to be more active in searching for and finding a new job. The number of counselling services to the unemployed increased significantly during the year. Out of 204,300 unemployed persons registered with the National Labour Exchange, the Labour Market Training Authority in the regions counselled 27,366 or 13.4%.

The indications are that psychological counselling services are increasing rapidly. These focus on: development of self-awareness; assessment of personal vocational preferences; identification of personal capabilities; conduct of an active and motivated search for a satisfying career and career planning.

In addition to career guidance by regional labour market training services, vocational advice and information provision is also supplied by the labour exchanges. Since 1994, the regional labour exchanges have organised the Job Clubs, which organise activities of a psychological nature and lectures for newly registered persons or the long-term unemployed. Following the model of European Union countries, three regional labour exchanges established Job Clubs, which attempt to change the negative attitudes of the clients and guide them towards actively searching for a job. The Clubs are also used to discuss the opportunities for clients to establish their own business.

A computerised vocational information centre has been established in Vilnius Labour Exchange with a computer network connected to seven work stations. It is the first modern multi-media based centre in Lithuania. The Vocational Information Centre allows job-seekers to find vocational guidance information for themselves, by computer. In this way, clients may assess their professional interests by on-line tests which will help them decide what profession to choose. Six programmes concerning various professions and 60 videos can be accessed via the Centre's computer.

On 03 September 1999, the Youth Employment Centre commenced operation. Its target group is young people under 25 years of age who are trying to choose a career or start work.

Available evidence indicates that, until now, career guidance and advice was mainly geared towards adults. In response to this, the Vocational Guidance Division of the National Technical Creativity Chamber of Students was established, on 3 April 1997, by order of the Ministry of Education and Science and, on 20 March 1998, the Vocational Guidance Procedure was approved by the Order No 465 of the Ministry of Education and Science. The Vocational Guidance Division specialises in counselling students of grades10 to 12 but also deals with other students. Its main purpose is to assist the client in a rational and systematic choice of profession and how to pursue the chosen career. The psychology specialists on the staff use various techniques to test and determine the client's personal characteristics as well as their aptitude for the chosen profession. In the future, it is intended to introduce such aptitude tests at an earlier stage as part of career guidance for junior students.

Table 2.23 Vocational guidance and counselling of students in 1998

	Graduated from general education schools 1998	Counselled by Vocational Guidance Division of Ministry of Education and Science	Counselled by the Labour Market Training Authority	Total of students counselled
Number of students	64,807	700	9,035	9,735
%	100	1.08	13.94	15.02

Measures for Vocational Guidance and the Integration of Youth into the Labour Market, which provide for the establishment of county vocational guidance departments, under the responsibility of the Ministry of Education and Science, was approved by Government Resolution of 08 January 1998.

Table 2.23 shows that career guidance and advice reaches only a very small proportion of students and that the largest number are counselled by the labour market training authorities. The Ministry of Education and Science's counselling services are not very extensive so far. A survey of students attending Baltupiai School showed that up to 98% of those questioned would be interesting in consulting a career guidance specialist.

The Computerised Vocational Information System (PIKIS) is one type of individual private consulting system which could help make up the counselling shortfall. The system's database could be accessed, via the Internet, by a wide range of information consumers, including students, adults, employers, employer and employee organisations, labour exchanges, the Government, ministries, education institutions and scientific institutions.

Teacher and trainer training

Development and renewal of the vocational education and training system depends heavily on the competence and commitment of teachers.

Vocational education and training teachers may be divided into vocational teachers and teachers of general education subjects. Qualification requirements for teachers are determined by the Ministry of Education and Science and they apply equally to teachers engaged in initial vocational training, and to teachers engaged in labour market training. The basis requirements are as follows:

- at least 3 years studies at a higher or a college-type school;
- the qualification to teach the subject, i.e., successful completion of the specific subject study programme; and
- the pedagogical qualification.

The college-type school diploma confers the right to work in an institution offering education at basic or lower level. The higher education diploma confers the right to work in all types of education institutions. A person who completed a non-pedagogical higher or college-type study programme may be employed as a teacher only upon acquiring a teaching qualification. The Law on Education provides that graduates of vocational schools may also be engaged in vocational education and training institutions as vocational teachers, provided that they possess a basic pedagogy and psychology course certificate.

There are no schools specialising in training vocational teachers in Lithuania. In higher school, vocational teachers are trained without regard to the area in which they are, or are going to be, engaged. As has been mentioned earlier, all training programmes were systemised according to branches of the economy, in 1994. Provisionally, teachers may be assigned to this systemised programme according to the profession they teach. In practice, however, the special vocational teachers' training programmes have been designated in only a few areas, such as teacher training, health care and - in part -construction and timber processing. The number of teachers to be trained at the state college-type pedagogical schools is determined by the Ministry of Education and Science, and at higher schools they are determined by the Government, on a proposal from the Ministry of Education and Science.

Teaching assessment has a significant impact on the competence and performance of teachers and, at the same time, it provides an incentive to improve. 1994, the year that the teacher certification process commenced, may be regarded as the beginning of the creation of the qualification upgrade system. Certification of vocational teachers includes assessment of the theoretical knowledge and practical performance of a teacher and the conferring a qualification category. Certification is regulated by the Regulations on the System for Upgrading Teacher Qualifications, the Regulations on Vocational Education and Training Institutions and the Regulations on the Certification of Vocational Teachers. Both initial and labour market training teachers may be awarded the categories of vocational teacher, senior vocational teacher, vocational teacher-methodologist and vocational teacher-expert. The single certification of the initial and labour market training teachers is also recognised, i.e., a qualification acquired in a vocational school is also valid in any labour market training institution. College-type school teachers may be awarded the categories of assistant teacher, teacher, senior teacher and expert teacher. The Regulations on the System for Upgrading Teacher Qualifications provide that ongoing improvement is a direct responsibility of the teacher and a condition of acquiring a qualification category during the process of accreditation. One of the aims of accreditation is to provide material and moral incentives to teachers and, for this reason, teachers' salaries are related to the qualification category acquired. The operation of the accreditation system is funded by the founder of a vocational education and training institution.

Vocational teachers may upgrade their qualification through the formal or informal structures of vocational education and training. Informal upgrading of a qualification is recognised so long as the content is relevant. Participation in international projects is one way to upgrade a qualification. The reform of the vocational teachers' training system benefited significantly from joint projects with schools from Norway, Germany, Denmark and other countries, as well as international programmes, such as Phare, Leonardo Da Vinci and others.

Today the main organiser of qualification upgrading opportunities for teachers is the Centre for the Professional Development of Teachers - the Qualification Institute of Teachers prior to July 1999. It is planned to establish similar centres in six counties by the year 2005.

During the initial stages of vocational education and training renewal (until 1998), the training of vocational teachers was chaotic, with little consistency or coordination. The single training of vocational teachers concept was first outlined in the 1998 White Paper on Vocational Education and Training and, today, the system of qualification upgrading of vocational teachers is undergoing further development. The Centre for Professional Development of Teachers, the Methodical Centre for Vocational Education and Training and the National Resource Centre have prepared the national project "Dissemination of the Phare Vocational Education and Training Reform Programme 1994". The project is designed for those vocational and college-type schools that had no opportunity to participate in the Phare programme. It is planned to organise 52 seminars, 24 of which will be designed for managers and 28 for teachers. During the seminars, 12 specially trained teachers, with an expert qualification in the course taught, will train teachers in the development of education programmes, quality assurance, teaching and learning methods, management and leadership, assessment and development of Methodical material. Unfortunately, due to lack of resources and specialists, only 60 representatives of vocational schools will be able to participate. Numbers will be confined to four from each school, out of a total of 9,600 teachers and 174 vocational and college-type schools in the vocational education and training system.

Under Lithuanian law, a vocational teacher is free to choose her/his own teaching methods, versions of approved programmes and manuals. Since no research has been carried out to determine how and what teaching methods are chosen by teachers, it is difficult to assess, precisely, the situation in the vocational institutions. The trend appears to be that more teachers are employing active teaching methods alongside the classical ones and are trying to promote more active participation by students in class.

3. Human resources development

"Work is the best support of a healthy person of working age" (Annual Report of the President of Lithuania, 1999).

3.1 Continuing training

Continuing vocational education and training (formal and informal) includes:

- adult education (of the employed and unemployed); and
- training of the unemployed and employees who have been given notice of dismissal.

The Law on Vocation Education and Training (1997), the Law on Informal Adult Education (1998) and the Law on the Support of the Unemployed regulate continuing vocational education.

There are two **state structures** involved in the area of continuous education:

- the Adult Education Department of the Ministry of Education and Science, which deals, mainly, with general adult education and distant learning; and
- the Labour Market Training Authority, which is subordinate to the Ministry of Social Security and Labour and which is responsible for vocational training, retraining and qualification upgrading of the unemployed and persons who have been given notice of dismissal.

Vocational training of the unemployed has been provided since the restoration of independence in 1990. Training of the unemployed as a specific activity of the employment system was given a legislative basis by the Law on Employment (since 1996, the Law on the Support of the Unemployed), which was adopted in 1990. In 1991, the Labour Exchange and the Employment Fund were established. The same year also saw the organisation of the first training courses for the unemployed. In 1992, the Labour Market Training Authority, with its regional labour market training services (6) and centres (14), started operations.

The state does not pay enough attention to the continuing **vocational education of the employed**. There are some areas of economic activity, such as state institutions, banking, health care, education, energy etc., where fairly intensive continuing vocational training of employees has been introduced on the initiative of the relevant state authorities. Information on continuing vocational training in enterprises is limited and is derived from various surveys and investigations. This type of information is not included in official statistics.

The development of **distance vocational education**, as a form of continuing adult education, was started in 1994 as part of the Phare Multi-country Distance Education Programme. National projects started in 1998. The main provider of distance education and the leader of this area of education is Kaunas University of Technology (for more details, see the Case Study "International and National projects in Lithuania", Bibliography, p. 108).

In fact, so far no state education body has been appointed to develop general continuing vocational training policy, i.e., to deal with human resources development strategy.

To a certain extent, this activity has been undertaken by the **Lithuanian Association of Adult Education,** a non-governmental organisation established in 1992. Today, the Association is made up of 15 organisations and 208 members. The main purpose of the Association is to draw the state's and society's attention to problems in adult education and to encourage them to participate in the decision-making process. In December 1998, the Association of Adult Vocational Training was established, as part of the process of promoting self-government in vocational education and training. Activities of the Association involve the state and private vocational institutions and enterprises dealing with labour market vocational training. It is expected the Association can assist in dealing with such issues as efficiency in labour market training and the harmonisation and development of regulations.

3.1.1 Adult education

Formal education is education, learning and studies regulated and controlled by the state, the successful completion of which leads to ***a state-recognised diploma or certificate***. The Law on Education, the Law on Science and Studies and the Law on Vocational Education and Training regulate formal adult education (general education, vocational education and training, college education and higher studies).

This particular area of education is defined by the state, which determines general standards, the general requirements for programmes and modules (individual elements of programmes), specialisations and the qualification requirements for different professions. Some other programmes regulated by the state, such as training for drivers and the official language (Lithuanian) programme, may also be included in the category of formal education for adults.

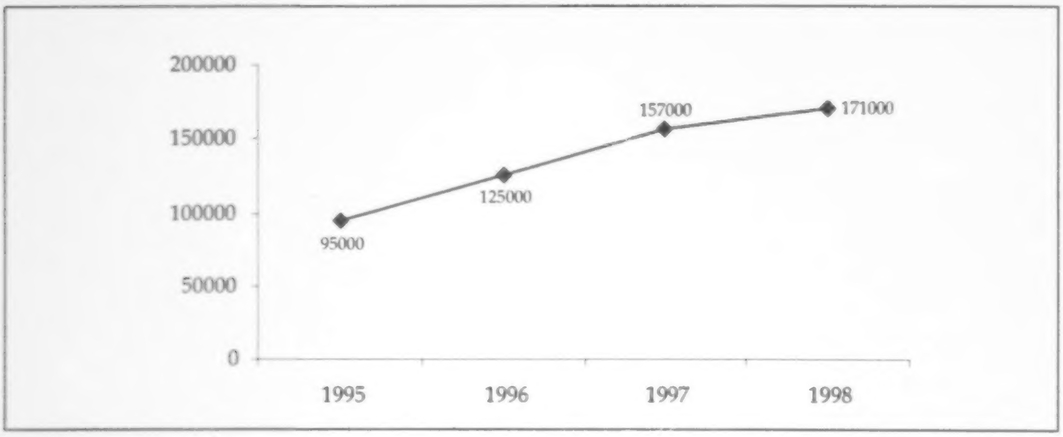
Informal adult education is training, education or studies reflecting the needs of the society, graduation from which does not lead to a state-recognised document certifying to the attainment of an education or to a certain phase or a separate module thereof, or to acquisition of a qualification. Certificates from informal adult education courses may, however, be recognised by employers, employers' organisations or trades unions.

The main forms of informal education are as follows:

- organised targeted self-education;
- courses (day-time, evening, continuous, short-term etc.), seminars, lectures;
- part-time education; and
- mass-media based programmes of an educational nature.

According to **statistical data** from the Ministry of Education and Science Registration Division, on 01 September 1999, 86 training centres and 401 training courses had licences to teach. The Department of Statistics annually carries out a survey of such training institutions to collect information about the participants on courses. The growth in the total number of course participants (see Figure 3.1) shows that the demand for continuous education is constantly growing.

Figure 3.1 ***Number of participants at qualification upgrading and retraining courses by year***



Source: Department of Statistics

Labour market vocational training is offered by different training institutions: vocational schools, colleges and higher education establishments and labour market training centres. Training courses are also arranged in-house by enterprises, or privately. Only part of this training is formalised, i.e., training is implemented according to the programmes included in the Register of Study and Training Programmes. Most training institutions use training programmes and/or modules which are created, and can be adapted flexibly and quickly, to cater to changing labour market and employers' requirements and are not formally approved.

According to the Department of Statistics, 54% of participants take short-term courses of up to one month and 28% follow study courses of from 1 to 2 months. Only 2% of all participants take long-term courses of more than 6 months.

In 1997, 26,635 persons, including 8,224 unemployed took part in courses at institutions run by the Labour Market Training Authority, i.e., its 13 labour market training centres, Kaunas Business College and the "Profesinio mokymo ir menedzmento institutas" (Institute of Vocational Training and Management). In 1998, the figures were a total of 27,206 persons, including 9,775 unemployed. This represents slightly more than 16% of all those who undertook continuing vocational training.

The traditional training institutions arrange courses and offer continuing education on the basis of their current and potential pedagogical and economic capacity. Forty-seven per cent of vocational schools, 26% of college-type schools and 80% of higher schools arrange qualification upgrading and retraining courses for adults. In 1998, 28,819 persons or 17% of all those who undertook continuing vocational training, were trained in these institutions.

Table 3.1 ***Further vocational training courses at vocational, college-type and higher schools***

Type of school	Number of participants					
	1993	1994	1995	1996	1997	1998
Vocational schools	2,127	6,264	8,000	8,326	6,839	6,458
College-type schools	1,663	4,169	3,616	3,625	3,462	3,695
Higher schools	...	9,734	9,337	16,361	16,297	18,666
Total	...	20,167	20,958	28,312	26,598	28,819

Unfortunately, because statistical data on adult education are too general, it is very difficult to assess how many persons were actually trained in the courses organised by the different providers. Statistical data, for 1998, on course participants by age and education are provided in ANNEX D.

It is impossible to tell how many persons studied at private training institutions, since there are no statistical data at all on this. We can presume that some 100,000 persons studied at private training institutions licensed by the Ministry of Education and Science in 1998. There is no information available about training institutions, which do not have Ministry of Education, and Science licences.

3.1.2 *Vocational training of the unemployed and employees who have been given notice of dismissal*

Nowadays, the labour exchange system consists of the Labour Exchange and 46 regional labour exchanges scattered throughout the country. The exchanges register the unemployed and provide information services to persons looking for jobs. A more detailed description of the activities of the labour exchanges is provided in Chapter 1.5.

As a measure of active labour market policy, the vocational training of the unemployed and employees who have been given notice of dismissal is carried out on the basis of an annual Vocational Education and Training Programme, approved by the Ministry of Social Security and Labour. The Labour Market Training Authority, the main partner in the Labour Exchange, arranges vocational guidance and training for the unemployed and for persons who have been given notice of dismissal.

Vocational training is arranged at:

- labour market training centres; and
- other training institutions, which are licensed by the Ministry of Education and Science and selected by means of a tender.

Labour exchange specialists arrange training courses in business management basics of up to two weeks duration for the unemployed course. These course are for those who are going to obtain a loan to establish a business of their own or who are going to apply for a patent for an individual product.

3.1.3 *Interaction between the Labour Exchange and providers of labour market training*

1. Regional labour market training services inform regional labour exchanges about the demand for training, i.e., they provide a list of professions for which training programmes have been prepared.
2. The Labour Exchange:
   - registers the unemployed and job vacancies and analyses the structure of labour force demand and supply; and
   - identifies training needs and places quarterly and annual orders for training at the regional labour market authorities, with information on how many persons have to be trained and for what occupations.
3. Based on the orders placed by the labour exchanges, regional labour market authorities select vocational education and training institutions for training. If a regional labour market training service has no possibility of fulfilling the order placed by the regional labour exchange in its own training centres, it issues a call to tender for training to be provided in other vocational education and training institutions.
4. Regional labour exchanges vet the unemployed intended for training by the regional labour market authorities in order to determine their fitness for the occupations for which training is provided. Training groups are formed of persons who are evaluated positively.
5. The labour exchange concludes the necessary training contracts and finances the training.
6. The Labour Market Training Authority, as well as its regional subdivisions, organise training at labour market training centres or commission other training institutions, selected by tender, to fulfil this task.

Pursuant to the procedure approved by the Ministry of Social Security and Labour (1996), the unemployed and employees who have been given notice of dismissal, are referred for training under bilateral or tripartite contracts concluded between:

1. the unemployed referred for training and the labour exchange (a vocational training contract); or
2. the unemployed referred for training, the labour exchange and the employer who undertakes to employ the unemployed after training (a vocational training and employment contract).[3]

Statistics on vocational training of the unemployed indicate that the number undergoing training increases as unemployment increases. Nevertheless, only a very small number of the unemployed succeeds in accessing labour market training programmes. The reasons for this are, primarily, financial: the level of training depends on how much of the Employment Fund is allocated to vocational training of the unemployed and to preventive training. In 1998, the amount allocated for these purposes was LTL 28,003,000, i.e., 25.9% of the Employment Fund (also see Chapter 7, Table 7.2).

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[3] In the event of an employer refusing to employ persons trained under a tripartite vocational training and employment contract, s/he has to reimburse the regional labour exchange for the training expenses.

Table 3.2 Number of the unemployed in labour market training

	1994	1995	1996	1997	1998
Unemployed registered during the year	132,486	213,469	183,631	193,513	204,271
Number who participated in labour market training	12,697	14,320	11,968	13,085	14,569
Participants in labour market training as a % of total unemployed	9.6	6.7	6.5	6.8	7.1

Different types of motivation courses are organised for the unemployed who are not ready for the labour market or who have been unemployed for a long time.

3.1.4 Labour market training provision

Pursuant to the Law on Vocational Education and Training, labour market vocational training is aimed at the acquisition of state-approved qualifications or at the preparation of a person to perform a job or to carry out job-related functions. Labour market vocational training provides the opportunity for a person to acquire or/and improve his/her qualifications.

Labour market vocational training institutions have to possess a licence to teach or train. As from July 1999, the procedure for issuing teaching licences has changed. Under the new procedure, the issuing of permits to engage in labour market training will be a responsibility of the Labour Market Training Authority.

According to the Law on Vocational Education and Training, labour market training institutions cater to persons over 18 years of age. Persons of between 16 and 18 years of age may also undergo training at labour market training centres, if they have completed initial vocational education or comply with the conditions for exceptions set by the Ministry of Education and Science and the Ministry of Social Security and Labour. This procedure, which was approved in 1998, allows specialists from the Labour Market Training Authority to decide to provide additional opportunities for persons, who have left the formal education system for different reasons, to return to education.

Labour market vocational training is conducted according to training programmes which are comprised of one or more independent modules. The great majority of training programmes and modules are designed for persons who have completed basic or secondary education. The length of the training programme can be shortened by taking into account the aptitude of a student and his/her work experience.

The length of training may not exceed one year and programmes are revised at least every 5 years.

The Labour Market Training Authority carries out labour market training at the level of Stage I and II programmes. On the Order of the Minister for Education and Science, the Register of Stage II Programmes in Labour Market Training was approved in 1997.

Order No 108 (June 1998) of the Minister for Social Security and Labour approved following **labour market training regulations**:

- the structure of training programmes;

- the structure of training modules;
- the General Requirements to Describe Professional Qualification (stages I and II);
- the procedure for the final qualification examinations;
- the requirements for the labour market training institutions; and
- the time limit for consultation.

These regulations underpin formalised labour market training.

Since 1998, expert evaluation of the programmes has been carried out by 20 expert commissions, organised by groups of professions. After the evaluation was completed, about 80% of the programmes were restructured to meet new requirements and the need for coordination between the relevant competent institutions.

At the beginning of 1999, there were 150 stage I (labour safety training) and 151 stage II (conferring a professional qualification) programmes in the formalised labour market training system.

Since 1997, the labour market training system has been trying to make labour market training more flexible and responsive to personal and employer requirements by changing over to a **modular structure**. However, a modular training system is not yet in place as the regulations for the implementation of such a modular system have not been prepared. In order to achieve higher quality in training and to fulfil the requirements of a modular training system, the preparation of teaching aids and equipment is organised on the basis of individual modules. In 1997 five sets of teaching aids and equipment for tailors/cutters, one for timber processing and one for construction specialisations have been prepared and disseminated to the training centres. Seven manuals were published in 1998 - hairdresser, hairdressing-cosmetics specialist, cosmetics specialist, brick and plaster works, laying of tiles, painting works, production of doors and windows and transportation of dangerous cargo - and four sets of teaching aids and equipment have been prepared.

In response to needs that have emerged, an **intermediary system between formal and informal adult education** is in the process of formation in the labour market training system. This consists of programmes, which will be standard programmes for upgrading qualifications or for in-service training based on the needs of a specific employer or region. The Labour Market Training Authority is preparing a special register for training programmes like these, which fall outside the Register of Study and Training Programmes. Regulations, laying down the procedure for entering programmes into the Register, will be introduced. Graduation from a programme of this type will lead to a certificate approved by the Ministry of Social Security and Labour. The programmes in the Register will also be used to train some of the unemployed, employees who have been given notice of dismissal and other persons for whom vocational training is financed by the Employment Fund.

Completion of a programme listed in the Register of Study and Training Programmes leads to **qualification examinations**. The final qualification examination consists of two parts:

- a theoretical examination; and
- test of practical skills.

To conduct the final qualification examinations, a qualification commission is formed. This is made up of:

- a chairperson - a representative of the employers, who is highly qualified in the relevant field and who is appointed with the approval of the regional Chambers of Commerce, Industry and Crafts, the Chambers of Agriculture or the employees' organisation); and

- members of the commission - the director of the training centre, his deputy, a representative of the employers and a teacher in the relevant area of specialisation.

The theoretical examination is taken prior to the test of practical skills. The candidates carry out practical work in enterprises, construction sites and other areas of production. Practical work may also be carried out at the training centre, if the centre has appropriate training facilities.

Candidates who pass the examinations are issued with the following documents:

- a certificate attesting to capacity to perform a job or/and duties in keeping with the acquired training; and
- a certificate of qualification.

Pedagogical specialists employed at the labour market training centres have the same categories of qualification as pedagogical specialists employed in vocational schools (see Chapter 2.3.2). In 1998, during the process of accreditation, the theoretical and practical pedagogical competence of 196 teachers was assessed. Teachers in labour market training centres should know the methodology and specifics of working with adults, in addition to normal pedagogical skills. However, not a single training institution trains vocational teachers to work with adults. This is why there is a systematic initial pedagogical-psychological training programme for all teachers, who have recently started to work at labour market training centres and who have had no specific training for this task. Seminars and information sessions on foreign experience are regularly organised for vocational teachers.

Since 1995, at the request of the Labour Market Training Authority, the Labour and Social Research Institute has conducted a series of studies to determine the **efficiency of the labour market training system** (see also Chapter 4), and to analyse the satisfaction of the unemployed with the training they receive, the impact of theoretical and practical training on professional activities and the number of persons who find jobs after training.

According to data for 1997, 28.9% of course participants already knew where they would be employed at the end of the training course and 47.7% of the remainder found a job within 3 months of completing the training course. A total of 61.8% of the training course graduates were employed in 1997. In 1998, 69% of the unemployed trained at labour market training centres were employed.

With regard to continuing vocational training, there are several important points which should be highlighted.

- Training for employed staff and improving their qualifications is still, largely, the responsibility of the individual and of employers. Up to now, the state does not have an economic mechanism to encourage training and retraining within and for enterprises. In the deteriorating economic situation, more and more persons are not able to pay for their own training.
- In 1998, only 7.1% of all unemployed persons were provided with training financed by the state.
- The state is encouraging training on the basis of the tripartite, occupation and employment contract in an attempt to increase the number of employed trained in this way.
- Most training programmes (and training modules) are designed for persons who have completed basic or secondary education. Because of this, some young persons in the 18-25 age group, who, for different reasons, have completed only 5-7 grades of basic school, do not have the formal opportunity to return to the training process. Such cases are extremely urgent in small towns and in rural areas.

3.2 Training for managers and administrators

Management is a relatively new area of education in Lithuania. The last few years have seen the intensive development and implementation of management study programmes. Nowadays, there are several types of institutions offering training in the field of management and administration: traditional education institutions such as vocational schools, colleges and universities; government department institutions; public organisations; private consultancy firms; and business support organisations.

The main source of **financing** of state education organisations is from public budgets, while business organisations are financed on commercial grounds. Commercial organisations often conduct courses within programmes funded by foreign countries and organisations.

Management courses differ in terms of form and length and include:

- 1-2 day short-term courses (seminars) designed to provide up-to-date practical experience and updated information on different topics in administration and management, mainly for executives and managers of enterprises;
- week-end upgrading courses for executives;
- long-term training for executives, including practical training abroad; and
- integrated training, in the form of a series of short-term seminars, distributed over time, which require trainees to leave their jobs only for a short period of time.

Information on management and administration training at different education institutions would enable us to assess the situation on the national level. Unfortunately, official statistics are available only on students enrolled in business management training programmes at vocational schools, colleges and higher education institutions.

The need for management studies arises in the context of the ongoing reform of society and the economy. Employers and foreign investors, in particular, prefer those who have special management education. This is one of the reasons for the constantly growing number of applicants to management and administration programmes.

The Register of Study and Training Programmes identifies 12 initial vocational education **programmes** (stages III and IV) and 12 college-type programmes in trade and business. Vocational schools confer professional qualifications, e.g., of secretary, trade merchant, small business organiser etc., which certifies the ability of the graduates to perform day-to-day administrative functions. The number of students rose from 3,697 in 1997-1998 to 5,154 in 1998-1999.

College-type schools train specialists in commerce, accounting, business administration and organisation, finance, advertising management and the administration of hotels and enterprises. The number of students engaged in trade and business management programmes increased from 7,580 in 1997-1998 to 8,715 in 1998-1999. According to the description of the qualification they receive, graduates of these programmes should be able to establish a small business enterprise, plan the activity of an enterprise, negotiate with partners etc. Managers at this level (stage IV of education) may work independently, design a business strategy of their own and make decisions. At the moment, business management is offered at 35 college-type schools, including 13 non-state schools. One of the outputs of the ongoing two-year cooperation and Methodical support project between the Lithuanian Ministry of Education and Science and the Danish Ministry of Education is the standard for the training of business managers, which was prepared in 1999. The standard should be approved in the very near future.

Almost all higher schools provide training in different business subjects, such as business administration and management, business information management, international business, organisation of tourism and recreation, food industry management, engineering economy and management etc. A wide selection of management courses is offered, as a part of basic education, in full-time, evening and part-time programmes.

"The Qualification Provisions for Higher Education" and "The Provisions on the Establishment and Certification of Higher Schools", as approved by Government Resolution in 1993, are the main documents regulating higher education studies. Qualification requirements for primary and master degree programmes lay down strict requirements on both the length of the programmes and the competence of the teachers involved.

In 1997, the Centre for Assessing the Quality of Studies, a subdivision of the Ministry of Education and Science, initiated a partial, external assessment of higher school primary and master degree programmes in management (see Bibliography [18]). The Centre assessed the quality of programmes, determined the problems faced during the process of developing and implementing them and proposed appropriate solutions. No other steps have been taken on behalf of the state.

One **way of improving the quality of training programmes** is to participate in bilateral and multilateral, domestic and international cooperation and exchange programmes and projects. Most universities cooperate with foreign partners, who provide not only methodological, but also financial support. Examples of such cooperative efforts include:

- a Bachelor of Arts in international business management and a Master of Business Administration programme in international trade, offered by the International Business School at Vilnius University, with the support of the United Nations Development Programme;
- a Joint Venture between Kaunas University of Technology and Norwegian School of Management - Business Training Centre; and
- the Management Training Centre of the Panevezys Branch of Kaunas University of Technology, which is a non-academic unit financed by the U.S. Agency for International development (USAID).

The **number of students** enrolled in basic business administration and related programmes increased from 7,550 in 1997-1998 to 8,434 in 1998-1999. These fields of study become more popular with every year. Moreover, six universities offer master degree programmes in management of different branches of the economy - insurance, environmental protection, forestry, construction, transport, health care etc. The number of higher education students following master degree programmes in business administration and management increased from 1,874 in 1997-1998 to 2,506 in 1998-1999.

The need to train managers of the highest level has been evident since the restoration of independence, when the process of integration into the Western European market was intensified. The establishment of the **Business Training Centre** (Biznio mokymo centras, BMC) in 1998 under the Kaunas University of Technology and the Lithuanian Business Management Institute has been a major step towards providing adequate opportunities for improving the qualifications of executives.

In September 1998, the Business Training Centre, together with the Business School of Bocconi University (Italy) and Roskilde University (Denmark), started the first international business administration master degree programme for executives. "The Modern Manager in the Process of Integration into Europe" is designed for higher level executives who want to acquire a Master of Business Administration degree without leaving their jobs for considerable periods of time. The programme has been designed on the basis of the widely used model, "Executive Master of Business Administration Degree Programme (EMBA)". The programme focuses on areas related to the ongoing process of European integration and covers the relevant areas in the economic, social, legal and political fields. The contents of the programme reflect its main, which is to train qualified higher level company executives to modern European standards and.

The Institute of Management was founded with the support of the European Union Phare programme and the European Training Foundation. The mission of the Institute is to promote management education and progress as the material preconditions for successful competition and cooperation of private and state enterprises in the European and international markets.

The aims of the Institute are to encourage progress in the business management skills and education of executives, to disseminate management expertise, to develop a management information network and to initiate the education programmes for business executives. The Institute also has the task of generalising the experience gained in the new expanding markets and of enriching basic academic programmes with practical business management research.

In the Institute of Management, Executive Master of Business Administration studies are carried out in the form of a special 13-months master degree programme, approved by a consortium of well-known European universities:

- HEC School of Management, France;
- The Norwegian School of Economics and Business Administration;
- The Copenhagen Business School, Denmark;
- The Catholic University of Louvain, School of Management, Belgium; and
- Vytautas Magnus University, Lithuania.

A successful graduate from the programme is granted an Executive Master of Business Administration degree from Vytautas Magnus University and an International Certificate endorsed by the other member of the consortium. The administration of the programme is carried out by the Institute of Management and Vytautas Magnus University assures the quality of the Executive Master of Business Administration studies.

The special nature of the Institute of Management is reflected in the **unique forms of training** it offers.

Management forums

Management forums are oriented towards a wide audience of middle-management and higher-level executives. They consist of short-term, intensive courses, which provide participants with an excellent opportunity of comparing the expertise of foreign and local partners and of sharing their experiences in the round-table discussions.

Clubs for business executives

The aim of the clubs is to establish collegial relationships between executives, to encourage them to learn from one another and to absorb the most valuable aspects of their collective management experience. The executives present and analyse actual problems in management and their comments and contributions are generalised and systemised by the management consultant-facilitator. At the moment, there are two successful and active clubs, the Vilnius and Klaipeda regional clubs, which have some twenty members each. The non-competitive atmosphere of the clubs creates favourable conditions for communication and for the self-education of executives.

Upgrading of management trainers

In working under the Executive Master of Business Administration programme with foreign partners and upgrading their qualifications at universities abroad, university teachers of management can absorb the most recent experience and training methods in management, thus ensuring the success of the Executive Master of Business Administration programme in future.

3.3 Training of civil servants

According to the Law on the Civil Service, which was passed in July 1999, training is considered to be an essential part of the civil service career system. Acquired knowledge should be not only a prerequisite of acceptance of applicants to the civil service, but also an indicator of fitness for promotion.

During the period 1990 to 1998, the number of persons employed in the civil service more than doubled. According to the statistics, more than 70,000 employees were employed in the civil service in 1998.

The **training strategy** for the civil service is determined by the government. The Ministry of Public Administration Reform and Local Authorities develops and implements the policy for training the staff of state agencies and civil servants. Other public institutions follow the state strategy when determining priorities in the training of civil servants. The training of civil servants is financed by the state and the municipalities.

Almost every ministry has its own training centre:

- the Institute of Public Administration;
- the "Dainava" Training Centre for Municipal and Public Servants under the Ministry of Public Administration Reforms and Local Authorities;
- the Training Centre of the Ministry of Finance;
- the Institute for In-Service Teacher Training under the Ministry of Education and Science;
- the Culture Administrators' Training Centre under the Ministry of Culture;
- the Business and Cooperation Centre under the Ministry of Agriculture;
- the Economy Training Centre under the Ministry of Economy; and
- the Social Workers' Training Centre under the Ministry of Social Security and Labour.

All the ministerial training centres offer management and human resource management training programmes. Some of the management training programmes are prepared by foreign partners and the trainers themselves.

Vilnius University, Klaipeda University, Vilnius Gediminas Technological University and Kaunas University of Technology, Kaunas Vytautas Magnum University have departments which specialise in the provision of training in management and public administration for civil servants as well as for their own students. Higher education institutions offer the following programmes:

- four-year bachelor studies in public administration;
- master studies in public administration at Vilnius University, Kaunas University and the Academy of Law, which require two years of full-time post-graduate education and are usually followed by civil servants who have been working with at the state agencies for a period of time; and

- doctoral programmes in public administration, which are designed to prepare employees for research, pedagogical or consulting activity in the area of public administration.

The Study Centre for Employee Self-government at Kaunas University of Technology also offers a one-year university study programme "Management of Public Institutions" to the employees of municipalities, counties and other public institutions. The main partner of the Centre is the US Information Agency.

> *The Government Improvement Programme is another programme which could be included in this category. This was organised, in 1997-1998, by the Ministry of Education and Science together with the News Agency Ltd. of Helsinki University and the Public Management Institute of Finland. The programme covered such aspects as the planing of activities, the development and implementation of modern administration methods and human resources management methods.*

3.3.1 *Strategy for the training of civil servants*

The Law on the Civil Service, which was passed in 1999, sets forth the main principles underlying public administration, defines the status of civil servants and provides the legal background for the management of state agencies. The Law also establishes that the Public Administration Institute, which was set up in January 1999, determines the contents of introductory training, continuous qualification upgrading programmes and training programmes for civil servants at the highest levels. The Institute also develops and manages these training programmes and organises and controls their implementation. One of the most important tasks the Institute has to deal with, at the moment, is the formulation of qualification requirements for different categories and levels of civil servants.

It is envisaged that the civil servants' training programmes will be at three levels:

- *introductory training programmes,* mandatory for all persons who want to become civil servants (trainees or employees on probation);
- *continuous qualification upgrading programmes,* designed to extend the special professional knowledge and develop special professional skills among those civil servants who are already holding certain positions or are striving for promotion; and
- *training programmes for the highest category of civil servants,* designed to extend the professional knowledge and develop the professional skills of those persons who aspire to positions in the highest category civil servants.

Special attention will be paid to training civil servants who work in areas directly related to preparing Lithuania for accession to the European Union.

The Public Administration Institute has been appointed the national training centre to train civil servants to work with the European Social Fund.

4. Research on the labour market and vocational education and training

There are two institutions which are specifically designed for scientific research on the labour market and vocational education and training: the Institute of Labour and Social Research and the Vocational Education and Training Studies Centre at Vytautas Magnus University.

In addition, there are other institutions, such as the Labour Exchange, the Labour Market Training Authority, the Methodical Centre for Vocational Education and Training and the National Observatory, which initiate research and investigate the situation of labour market and the system of vocational education and training on a regular basis. The research carried out by these institutions is applied research, based, mostly, on inquiries.

There are also some institutions that engage in research on vocational education and training on a periodic basis. This group includes university social research divisions (in Vilnius Pedagogical University, Kaunas University of Technology and Klaipeda University), institutes of pedagogy, sociology and law, associations of employers (e.g., chambers of trade, industry and commerce), trade union organisations, enterprises and organisations, training institutions, individual teachers etc.

Vocational education and training research has two **main objectives**:

- to identify the demand for vocational education and training with due regard to changes in occupations and qualifications and to the situation in the labour market and the economy; and
- to improve the process of vocational education and training and to guarantee higher levels of quality in training.

The priority **areas in vocational education and training research** are:

- research into occupations and the development of occupational profiles and standards;
- research into curricula and the development of vocational education and training standards; and
- the optimisation of quality management in vocational education and training.

Research on the labour market is directed at such issues as the optimisation of labour market training, the creation of employment programmes, labour market forecasting etc.

4.1 *The Vocational Education and Training Studies Centre at Vytautas Magnus University*

This Centre is the only institution in Lithuania that was specifically designed for vocational education and training research activities. It covers research on all aspects of vocational education and training and the factors that influence it. The Centre was established in 1991 on the initiative of the Ministry of Education and Science. The staff of the Centre includes some 20 research specialists. The Centre receives funds to implement specific contracts and projects.

4.1.1 Areas of research

The Vocational Education and Training Studies Centre focuses on two main areas of research.

4.1.1.1 The system of vocational education and training, its goals and policy

This covers the following areas:

- research on economic activity and occupation structures, which investigates the general preconditions for change in vocational education and training through the examination of technical, technological, information and organisational changes in the business system, the development of the information society, the continuous progress of science and technology and the internationalisation of the economy;
- research on the current situation and trends and projections in the labour market, which attempts to measure the demand for qualified labour and the regional and social supply of workers (by age, gender, education, health status and other characteristics);
- research on the structure of qualifications, common key qualifications and changes in these;
- research on trends in education and in vocational education and training and on training policy;
- research on increasing the efficiency of the activities of the social partners;
- research on the interrelation between vocational education and training and professional career paths; and
- comparative studies in vocational education and training etc.

4.1.1.2 The vocational education and training process

This covers:

- research on the organisation and management of the vocational education and training process;
- research on vocational education and training curricula (aims, training contents, types of training and didactic integration of methods);
- research on the factors that influence vocational education and training;
- pilot studies;
- research on teacher training and related areas; and
- assessment of the vocational education and training process.

4.1.2 Implementation of projects

The Centre is involved in the implementation of different types of **vocational education and training research projects**.

Coordination of activities of scientists in different fields

In 1998-1999, the findings of two research projects were published in monographs:

- "Teachers' Training and Philosophical Studies." by K. Pukelis; and
- "Didactics of Vocational Activity" by V. Sernas.

Two theses for university teachers were defended:

- "Systemic Dimensions of Vocational Education Change" by R. Lauzackas; and
- "Parameters of an Ideal Teacher Training Model".

Several important research projects were carried out:

- "Vocational education policy in Lithuania and changes in it from 1991 to 1998";
- "The evaluation of the quality management aspect of the vocational training system "; and
- "A comparative analysis of changes in vocational education and training in countries seeking membership in the European Union".

Implementing programmes to upgrade the qualifications of vocational education and training staff

In addition to short-term seminars and conferences, the Centre also offers a master programme, "Vocational Education and Training Management" and a doctoral programme in pedagogy. Topics for the final master and doctoral theses are selected on the basis of systematic research so that they correspond to the most problematic areas in vocational training. Some 15-20 students are currently preparing their degree theses.

Initiating research activities through scientific conferences and the publication of results

Since 1998, the Centre has published a scientific journal "Vocational Education: Research and Reality".

Cooperating with the European Union programmes

The Centre participates in the Phare Vocational Education and Training Programme, TEMPUS, Leonardo Da Vinci, SOCRATES etc. It is involved in several concrete projects:

- "Systematic organisation of the continuing development of vocational education and training personnel" (Leonardo Da Vinci, 1999 - 2001);
- "The Lithuanian vocational teacher training programme" (Phare, 1999 - 2000); and
- Reshaping the focus and structure of vocational teacher/trainer training in Latvia and Lithuania" (European Training Foundation, 1999 - 2001).

4.2 The Institute of Labour and Social Research

This is a public scientific institution, established by the Ministry of Social Security and Labour in 1991. Its main activities are research into the theory of social policy and mechanisms for its development and implementation. There are 21 full-time scientific researchers and specialists employed in the Institute. The work is focused on three areas: living standards, employment and social security. The Institute carries out general Methodical research as well as studies planned and coordinated with the Ministry of Social Security and Labour and commissioned research.

During recent years, the following surveys have been conducted:

- "Labour market situation of agricultural specialists with higher education" (1996);
- "Survey of the efficiency of adult vocational training" (1996);
- "Assessment of the demand for specialists in the private sector of the economy" (1996);
- "Survey of needs of employers and labour market training" (1997);
- "Survey of the interaction between demand and supply on the labour market" (1998);
- "Survey of correspondence between vocational training and guidance in the labour market training system and the process of labour force regeneration" (1998);
- "Analysis of factors determining the dynamics of employment" (1998); and
- "Survey of projections of demand for specialists with higher education" (1999).

4.3 The Methodical Centre for Vocational Education and Training

This is the leading institution in curriculum development and the development of vocational education and training standards. The main task of the Centre at the present stage of vocational education and training reform is to guarantee the quality of the vocational training system and to optimise the system of vocational training institutions.

4.4 The National Observatory

The National Observatory is based in the Methodical Centre for Vocational Education and Training and commenced operation in 1996. It was established with the financial and technical assistance of the European Training Foundation and was endorsed, jointly, by the Ministries of Education and Science and Social Security and Labour. It is one of 25 Observatories set up in the partner countries and is part of the National Observatory Network. The National Observatory carries out a wide range of activities:

- detailed country reports and key indicators;
- ad hoc studies;
- publications; and
- national and international seminars.

From 1997 to 1999, the National Observatory staff, together with a wide network of local experts, prepared several national reports on vocational education and training and related issues:

- Report on the vocational education and training system in Lithuania (1997 and 1998);
- Key indicators on vocational education and training and labour market 1995,1996,1997 and 1998 (Statistical information);
- The role of the social partners in the development of vocational training (1997);

- Report on tertiary professional/vocational education (1997);
- Study report on the evolution of the small business sector in Lithuania and the impact of education system upon its development (1997);
- Case study on regulated professions (1998);
- Country survey on teacher/trainer training (1998);
- In-depth report on continuing vocational training (1998); and
- Case study on national and international projects in Lithuania (1998).

In 1999, on the initiative of the Labour Market Training Authority, the National Observatory started the "Access to training in Lithuania" project. It is planned to analyse legal regulations and their coherence and to base the conclusions on the findings of an inquiry, which will be carried out with the collaboration of the regional labour market training services.

4.5 The Labour Exchange

The Labour Exchange approaches its task of reconciling labour force supply and demand by carrying out regular, short-term (one-year) *labour market forecasting*, investigating the *efficiency of labour market training programmes* and assessing the services provided *to motivate the unemployed.*

4.5.1 Labour market forecasting

Projections are based on the questioning of employees and the assessment of trends in the labour market. An average of 6,600-7,000 employees, from enterprises employing almost 50% of all employees in Lithuania, are questioned. The surveys are designed to elicit the following information:

the number of job losses and vacancies that are expected to occur; and

the qualifications that the unemployed and employees who have been given notice of dismissal should acquire to find work or to keep the jobs they have.

4.5.2 Research on labour market training efficiency

Research on labour market efficiency is carried out by means of a survey of persons who graduated from courses 3, 6 and 12 months ago. The survey is aimed at finding out what their employment status is and whether the skills and knowledge they acquired through training were enough to allow them to compete on the labour market.

Employers who take on graduates from labour market training courses are also surveyed and the quality of labour market training and the practical skills of graduates are evaluated on the basis of the opinion of the employers. In 1998, 66.6% of employers were positive in their assessment of the performance of graduates from labour market training programmes. However, the number of the employers who were not satisfied with the qualifications of persons employed after training has gone up compared to 1997.

4.5.3 Motivation of the unemployed

The Labour Exchange also conducts *research on the motivation of the unemployed.* This purpose of this research is to allow the regional labour exchanges to improve the services they provide for the unemployed and to reconcile personal requirements with those of the labour market. The research shows that three out of four labour exchange clients do wish to find a job. Fifty-five per cent of the persons questioned indicated that the main causes of unemployment are insufficient education and lack of qualifications and of work experience. The results of the survey allow the exchanges to prepare appropriate active labour market measures such as:

- psychological motivation;
- career guidance and advice;
- vocational training; and
- employment support.

4.6 The Labour Market Training Authority

The Labour Market Training Authority conducts regular studies on the efficiency of labour market training and the demand for vocational training. These studies facilitate the improvement of the training process and the identification of the areas where vocational training for the employed and the unemployed is required.

The Labour Market Training Authority conducts the following type of surveys:

- surveys of staff qualifications and vocational education problems in organisations, designed to identify the needs of a specific organisation in a specific area;
- surveys of the employment status of graduates from training courses and the adequacy of the knowledge and skills acquired, which are designed to allow existing training programmes to be revised and to be better adjusted to the needs of the labour market; and
- surveys on the potential and efficiency of the labour force, including the unemployed, designed to improve methods of vocational and psychological guidance and to evaluate the efficiency of this type of activity.

The Labour Market Training Authority has been conducting these kinds of surveys since 1995. Since they are of a continuous nature and the data they collect is standardised, the surveys enable the Authority to assess trends in supply and demand on the labour market.

4.7 Department of Vocational Pedagogy in the Academy of Agriculture

The Department of Vocational Pedagogy in the Academy of Agriculture offers a master programme in the field of teacher training and prepares Methodical material on the training of vocational teachers for agricultural schools and colleges.

Until now, vocational training surveys were decentralised and poorly coordinated in terms of both content and financing. Studies and surveys conducted by institutions under the Ministry of Social Security and Labour, e.g., the Labour Exchange, the Labour Market Training Authority and the Labour and Social Research Institute, were financed, mostly, by the Employment Fund. Sometimes, specific projects were supported by foreign partners. The Methodical Centre for Vocational Education and Training is financed by the Ministry of Education and Science and the National Observatory is supported by the European Training Foundation.

The White Paper on Vocational Education and Training sets forth the procedure for coordinating surveys in this area. The plan is that surveys on the vocational education and training system will be coordinated by the Vocational Education and Training Council and related ministries. Surveys will be conducted on three levels, i.e., the national level, the university level and the level of vocational education and training institutions. Priority surveys on topics listed in the State Vocational Education and Training Programme will be financed from the Vocational Education and Training Fund, the state budget and other resources.

The White Paper on Vocational Education and Training states that, in the coming decade, priority will be given to research on:

- the vocational education and training system;
- vocational education and training and labour market needs;
- the relationship between academic education and vocational education and training;
- the restructuring of the content of education; and
- vocational and general skills.

5. Responsible bodies

The White Paper on Vocational Education and Training deems the participants in the vocational education and training system to be: students; education institutions; state authorities; and the social partners. All the participants are responsible for the quality of vocational education and training.

At present, both the quality of vocational education and training and the quality control system cannot be considered satisfactory. This is one of the reasons for postponing the granting of more independence to schools. Modernisation and improvement of the overall quality of the education system has been identified as a priority for the second phase of education reform, from 1999 to 2001, and it is expected that during this phase, quality issues will be addressed.

The development and implementation of initial vocational education and training policy is the responsibility of the Ministry of Education and Science, while the Ministry of Social Security and Labour deals with labour market training policy. The key functions of the two ministries are the development of the state vocational education and training standards, the supervision of training institutions and the upgrading of teachers' qualifications and accreditation. Both Ministries have insufficient personnel to deal with vocational education and training problems, e.g., there are only four and five staff employed in the services of the Ministry of Education and Science responsible for initial vocational training and college level studies, respectively. These not only develop general policy but also perform administrative functions with regard to the many vocational and college-type schools established by the Ministry of Education and Science. Moreover, there are only two staff members responsible for adult education, while 14 deal with general education policy developments. The Ministry of Social Security and Labour has no services dealing with vocational education and training – this function is delegated to the Labour Market Training Authority which is under the Ministry.

Although the development of the vocational education and training system on the national level is the responsibility of two ministries, this does not mean that there is no common vocational education and training policy. The Law on Vocational Education and Training, the White Paper, the Procedure for Issuing Licences to Teach, as well as other rules and guidelines jointly prepared by the two institutions cover the entire system of vocational education and training. Nonetheless, the two ministries do not always sufficiently coordinate their activities in the area of vocational education and training and, clearly, there is a need to improve the level of cooperation between them.

Other ministries, departments and municipalities may present proposals on study and training programmes to the Ministry of Education and Science and the Ministry of Social Security and Labour and, with respect to education areas where they have particular responsibilities, they may issue licences to organisations to provide vocational training. Moreover, they may participate in the management of vocational education and training institutions which they, themselves, have established. For instance, the Ministry of Agriculture currently runs 40 vocational schools of agriculture.

The **Vocational Education and Training Council** acts as an advisory institution on issues concerning both initial and labour market vocational education and training. The Council consists of representatives of state authorities, employer and employee organisations and training institutions. In addition, the tripartite Expert Council, established by and operating within the Labour Market Training Authority, offers advice on issues concerning labour market training.

Ongoing research helps to ensure effective management of the system and is used to identify and overcome the main problems facing the system. Most of the research on initial vocational education and training is conducted by the Centre of Vocational Studies at Vytautas Magnus University, while the labour market research is carried out by the Labour and Social Research Institute. Unfortunately, due to lack of resources, the scope of the research is less than adequate. The current state budget is unlikely to change this situation for the better.

At the regional level, the County Vocational Education and Training Councils play an advisory role. The Councils provide expertise and perform consulting and coordination functions. They also participate in the process of establishing new specialisms, developing new study and training programmes, organising practical training for students, updating the practical training capacity of schools and offering advice on other areas of vocational education and training activity. County Vocational Education and Training Councils are established in all Lithuanian counties. The Councils in the counties of Panevezys, Klaipeda and Siauliai have achieved exceptionally good results in recent years. County governors' administrations and education departments are responsible for supervising schools. Six regional labour market authorities have been established in order to develop regional labour market training and offer advice. The regional authorities not only prepare and implement regional labour market training and advisory programmes; they also provide advice on issues concerning the choice of a profession and training institution and help form training groups on the basis of applications from the labour exchanges.

The Law on Vocational Education and Training allows ministries to delegate certain vocational education and training management functions to county and municipal institutions. While some steps have been taken to delegate certain functions, not all counties are ready to undertake this responsibility.

The decision-making process is rather simple: all participants in the vocational education and training system make decisions within and on the basis of their competence.

Decentralisation of the vocational education and training system management is understood as handing over management tasks to the social partners. The latter should assess the quality of vocational education and training, help to organise practical vocational training and participate in the development of standards etc. Unfortunately, the social partners are not eager to participate in management of the system, even though the necessary legal conditions and structures are already in place. There are insufficient financial and human resources to ensure the effective functioning of established education structures. Employer organisations are weak and unable to formulate the general qualification requirements needed for the vocational education and training system. Paradoxically, it is the schools that are taking the lead in the search for ways to involve the social partners.

In summary, it is necessary to improve management structures, vocational education and training quality and quality control systems and the level of cooperation between the ministries responsible for the management of the system. In addition, the goal of greater participation by the social partners in vocational education and training must be reached.

6. Legislation

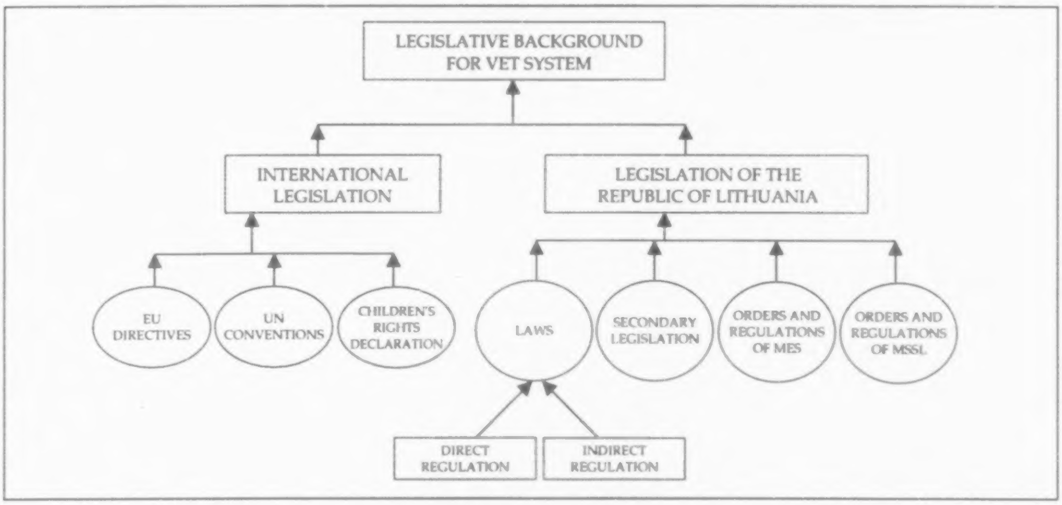
6.1 *Legislative background*

The Lithuanian vocational education and training system is designed along the lines of systems found in European countries and elsewhere. All the legislation is drafted in conformity with the conditions laid down in the United Nations Educational, Scientific and Cultural Organisation International Standard Classification of Education and follows European Union directives on vocational education and training.

In order to develop a uniform and efficient legislative framework, it is necessary to have a clear development plan. With this objective in mind, the Lithuanian Education Policy was drafted in 1992 and approved in 1993. This deals with the more general aspects of education reform. In 1998, a group of experts, coordinated under the Phare programme, prepared a White Paper (not yet approved by Government) which sets out the goals and principles of vocational education and training. This White Paper may be considered as the conceptual plan of vocational education and training in Lithuania.

The vocational education and training system is regulated by international and national legislation. This is represented in Figure 6.1

Figure 6.1 Legislative framework of vocational education and training

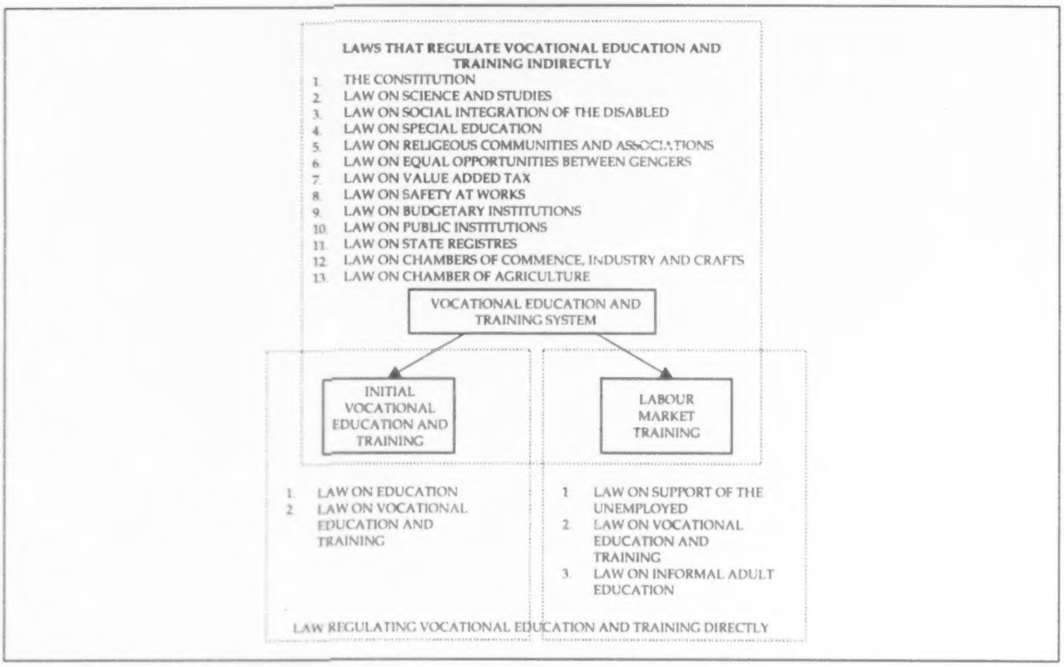

LEGISLATIVE BACKGROUND FOR VET SYSTEM
INTERNATIONAL LEGISLATION
LEGISLATION OF THE REPUBLIC OF LITHUANIA
EU DIRECTIVES
UN CONVENTIONS
CHILDREN'S RIGHTS DECLARATION
LAWS
SECONDARY LEGISLATION
ORDERS AND REGULATIONS OF MES
ORDERS AND REGULATIONS OF MSSL
DIRECT REGULATION
INDIRECT REGULATION

The following United Nations conventions have been ratified by Lithuania:

- Convention on Vocational-Technical Education;
- Convention on Vocational Rehabilitation of the Disabled; and
- Convention on Children's Rights.

In his 1999 annual report, the President of Lithuania, Mr. V. Adamkus, noted that "Laws are used to create a new order for society and new relations between people". Vocational education and training legislation is used to create a vocational education system, which guarantees the free movement of labour - geographically and professionally - and ensures the level of vocational education required by the European Union. The laws regulate the general content of vocational education and training and further details are set out in secondary legislation and ministerial orders and regulations from the Ministry of Education and Science. This framework offers quicker and more flexible solutions to problems and helps to eliminate the difficulties of setting out priorities for the education system in primary legislation.

Figure 6.2 Laws regulating vocational education and training in the Republic of Lithuania


LAWS THAT REGULATE VOCATIONAL EDUCATION AND TRAINING INDIRECTLY
1. THE CONSTITUTION
2. LAW ON SCIENCE AND STUDIES
3. LAW ON SOCIAL INTEGRATION OF THE DISABLED
4. LAW ON SPECIAL EDUCATION
5. LAW ON RELIGEOUS COMMUNITIES AND ASSOCIATIONS
6. LAW ON EQUAL OPPORTUNITIES BETWEEN GENGERS
7. LAW ON VALUE ADDED TAX
8. LAW ON SAFETY AT WORKS
9. LAW ON BUDGETARY INSTITUTIONS
10. LAW ON PUBLIC INSTITUTIONS
11. LAW ON STATE REGISTRES
12. LAW ON CHAMBERS OF COMMENCE, INDUSTRY AND CRAFTS
13. LAW ON CHAMBER OF AGRICULTURE
VOCATIONAL EDUCATION AND TRAINING SYSTEM
INITIAL VOCATIONAL EDUCATION AND TRAINING
LABOUR MARKET TRAINING
1. LAW ON EDUCATION
2. LAW ON VOCATIONAL EDUCATION AND TRAINING
1. LAW ON SUPPORT OF THE UNEMPLOYED
2. LAW ON VOCATIONAL EDUCATION AND TRAINING
3. LAW ON INFORMAL ADULT EDUCATION
LAW REGULATING VOCATIONAL EDUCATION AND TRAINING DIRECTLY

The laws relevant to the vocational education and training system may be divided into those which regulate vocational education and training directly, or indirectly (see Figure 6.2.).

As mentioned in previous chapters, the system of vocational education and training consists of initial vocational education and training and labour market training. The former is regulated by the laws on education and vocational education and training, whilst labour market training is subject to laws on vocational education and training and the law on Support for the Unemployed and Informal Adult Education. The laws described below are those which directly regulate vocational education and training.

Law on Support for the Unemployed, 1990

This law was originally adopted as the Law on Employment of the Population and in 1996 its title was changed to the "Law on Support for the Unemployed". Together with other labour laws, it guarantees the constitutional right of citizens of the Republic of Lithuania to work and a choice of occupation, regulates vocational training for employees who have been laid off or given notice of being laid off and lays down out the structure and functions of the Labour Exchange.

Law on Education, 1991, as amended and supplemented in 1993, 1994 and 1995

The law states that education is a priority development area supported by the state, establishes the basic structure of the education system including general education activity and the management of education institutions - except higher schools - and regulates both obligatory and general education available from vocational education and training institutions. This law also sets out the key elements of education reform.

Law on Vocational Education and Training, 1997

The law sets out the structure and management of the vocational education and training system, based on cooperation between state authorities and the social partners. It also regulates the organisation of vocational education and training, and controls vocational education and training covered by the Register of Study and Training Programmes. This law also contains provisions to regulate initial vocational education and training and labour market training areas.

Law on Informal Adult Education, 1998

The law regulates the system of informal adult education and lays down its basic structure, activities and management. The purpose of the law is to provide social guarantees to the participants and providers of informal adult education and to the social partners involved in the system, and to support implementation of the right to lifelong learning.

Draft Law on Higher Education

In 1999, a *Draft Law on Higher Education* was under preparation, which will eventually grant formal status to higher non-university education.

Those laws that indirectly regulate vocational education and training deal with the establishment, closure and registration of education institutions. They also guarantee access to vocational education and training for all citizens irrespective of gender, faith, nationality or special needs, as well as providing for the participation of social partners in vocational education and training etc.

Constitution of the Republic of Lithuania, 1992

The Constitution establishes the fundamental rights and duties of the citizens of Lithuania.

Law on Science and Research, 1991

The law establishes and protects the academic freedom, responsibility and professional activities of scientists.

Law on the Social Integration of the Disabled, 1991

This law regulates education and training for the disabled and provides guarantees for the integration of the disabled into the labour market or vocational education.

Law on Special Education, 1998

The law establishes the structure of special education, the basic management and organisation of early and pre-school education, general education, supplementary education, vocational and college type education, higher education and adult education for those with special needs.

Law on Religious Communities and Associations, 1995

The law implements and protects the right of freedom of religion and ensures equality before the law irrespective of religion. The law also establishes that religion can be taught at houses of prayer, state or private education institutions and elsewhere.

Law on Equal Opportunities between Men and Women, 1998

The law specifies that education and science institutions have to ensure equal opportunities for men and women when admitting students to vocational education and training institutions, college type schools, higher schools and qualification upgrading courses, in the allocation of scholarships and granting credits for studies and when selecting candidates for training programmes and assessing their qualifications. Education and science institutions also have to ensure that gender discrimination is not propagated in their programmes and manuals.

Law on Value Added Tax, 1993

Under the law on value added tax, duly registered education, science and research institutions are exempt from paying value added tax on the education, science and study course/services provided by them. The law also regulates value added tax incentives applicable to enterprises, where students of higher, college-type and vocational schools are provided with practical training.

Law on Safety at Work, 1993

The law regulates work safety in enterprises, institutions and organisations, irrespective of their ownership and the authority under which they operate.

Law on Budgetary Institutions, 1995

The law lays down rules governing the establishment, reorganisation, closure, management and financing of those institutions which are funded, whether fully or partially, from the state or municipal budgets.

Law on Public Institutions, 1996

The law sets out the procedure for the establishment, management, operation, reorganisation and closure of public institutions. A public institution is defined as a non-profit making organisation, established with the financial support of its founding partners, active in social, education, science, culture or similar fields and publicly providing services in these fields to members of the public. The laws governing the area or sector in which the institution is engaged lay down specific requirements for these institutions.

Law on the State Registers, 1996

The law sets out the procedure for the establishment, handling, use, reorganisation and closure of the state registers (property registers etc).

Law on the Chambers of Commerce, Industry and Crafts, 1995

The law governs the establishment and activities of Chambers of Commerce, Industry and Trade. According to the law, one of the key functions of the Chambers is to assist in arranging vocational education and training and adult education according to prescribed procedures.

Law on the Chamber of Agriculture, 1997

The law sets out rules on the management and activities, including their termination, of the Chamber of Agriculture. According to this law, the Chamber provides educational and other services, and organises and participates in discussions concerning agriculture and rural development programmes.

Every reform process has a beginning and an end. The first phase of the education reform has concluded. During that phase, it was planned to prepare the following legislative documents on education, in line with the tasks formulated in the framework of the Lithuanian Education Programme (1993-1997).

	Results
1. Amendments to the Law on Education.	+
2. Law on Vocational Education and Training	+
3. Law on Adult Retraining	-
4. Formal Adult Education	-
5. Law on Informal Adult Education	+
6. Secondary legislation to the Law on Education	+

The White Paper on Vocational Education and Training indicates that the legislative basis of education reform should be supplemented with the following laws.

	Results
Law on Higher Education	+ /draft/
Law on Support for Education	-

On the basis of an evaluation of the results attained during 1990-1999, we can conclude that the legal framework for education has been created and is being consistently developed.

In June 1999, the main tasks of the second phase of the education reform were approved. The document does not specify which laws have to be drafted to amend the current legal framework: this will depend on the implementation of stated objectives and on the economic, social and political climate.

7. Financing of vocational education and training and continuing training

According to the 1992 Constitution, education in state and municipal, general education, vocational and college-type schools is free. Moreover, the state guarantees free career guidance and advice services and free vocational training for the unemployed (Law on Support of the Unemployed, 1990). Vocational training, upgrading of qualifications and the retraining of adults who work outside the public sector, and who make up about 70 per cent of the working population, is not supported by the state. Individuals may seek to obtain qualifications, but only at their own, or their employer's, expense. Informal adult education is funded by interested legal bodies and individuals and by the participants themselves. According to the Law on Informal Adult Education (1988), the informal education of persons and groups who have the right to receive social support is funded by the state.

The *Law on Value Added Tax* (1993) stipulates that education, scientific and teaching institutions shall not pay value added tax on the education, scientific and teaching services they provide. The Law also regulates the value added tax privileges granted to companies in which students from higher education institutions, college-type schools and vocational training institutions are placed for work practice or practical training.

The *Law on Vocational Education and Training* (1997) regulates the sources of funding for initial and labour market vocational training. One of the sources is the Vocational Training Fund, whose resources are intended for practical vocational training, for upgrading the qualifications of employees and for funding the vocational training development programme. However, the Fund is not yet up and running. The *Law on Vocational Education and Training* provides for the right of vocational training institutions to engage in commercial business activities. Revenue obtained from these activities should be used for training purposes.

The **sources of funding** available to vocational training institutions depend on their ownership and management structures. According to the general regulations on vocational training institutions, **private schools** are financed by their owners, with state support provided for certain programmes. For example, in 1997, LTL 1,658,000 were allocated to private schools from the state budget.

Public institutions offering initial vocational training are funded from the state budget, on the basis of estimates submitted by their management. The amount of funding provided for training is directly related to the number of trainees and the nature of the training programmes provided. This means, first of all, that finance is a major consideration when institutions are determining the number of young persons eligible for enrolment. Secondly, schools are interested in keeping all their students and this puts the quality of education at risk.

During the nine years of its independence, Lithuania has managed to preserve the network of vocational training institutions inherited from Soviet times. This is a very positive achievement. However, due to the lack of funds, the material and training resources of the schools have not really been updated at all. The condition of school buildings can now be defined as critical. An analysis of the budgets of education institutions shows that a major part of the money allocated for training is used to pay salaries to teachers and administrative staff. For example, in 1997, salaries amounted to

59.5% of the budget in vocational schools under the Ministry of Education and Science and to 64.7% in college-type schools. The student-teacher ratio, which, in 1998, was 11.1 in vocational schools and 7.4 in college-type schools, raises the question of whether schools use the funds allocated for training effectively. On the other hand, an analysis of the provision of training materials to training institutions shows that the tendency is for the state to focus more on general education schools and higher education institutions. For example, 307 and 332 training manuals were prepared for general education and higher education institutions, respectively, whereas only three manuals each were prepared for vocational and college-type schools.

Data on public expenditure funds allocated to vocational training are given in Table 7.1

Table 7.1 Public funds provided for vocational education and training, 1995–1998 (LTL thousands)

	1995	1996	1997	1998
Total funds allocated to education	1,350,390	1,712,880	2,206,077	2,749,894
Funds allocated to education as a % of GDP	5.60%	5.42%	5.76%	6.43%
Funds allocated to vocational schools	98,950	124,616	162,994	175,844
Expenditure on vocational schools as a % of total expenditure on education	7.33%	7.28%	7.39%	6.40%
Funds allocated to vocational schools as a % of GDP	0.41%	0.39%	0.43%	0.41%
Funds allocated to college-type schools	59,665	81,065	104,471	118,698
Expenditure on college-type schools as a % of total expenditure on education	4.42%	7.73%	4.74%	4.32%
Funds allocated to college-type schools as a % of GDP	0.25%	0.26%	0.27%	0.28%

Non-budgetary sources of funding for public, initial vocational training institutions are:

- revenues from commercial business activities;
- contributions from private individuals; and
- bilateral and multilateral support, received, mostly, through projects.

Data on non-budgetary funds are currently being verified. A preliminary conclusion is that revenue from commercial business activities accounts for a very insignificant part of school revenues. Substantial financial support (approximately ECU 5.4 million) was received under the PHARE Programme on Vocational Education and Training Reform, for the periods 1995-1997 and 1998, which covered the development of training/study programmes, the upgrading of teachers' and managers' qualifications and the modernisation of training equipment. Although the programme had a direct effect on less than 20% of all education institutions, it had a significant indirect effect on the whole system of vocational education and training. According to expert estimates, vocational and college-type schools have received support amounting to about ECU 4.8 million through bilateral projects since 1992.

The main source of funding for labour market training is the **Employment Fund**, which is made up of:

- compulsory insurance premiums paid by employers as insurance against unemployment;
- charitable contributions from legal entities and individuals;
- revenue from the labour market;
- additional contributions from employers;
- subsidies from the state budget and allocations from municipal budgets; and
- other income.

The Employment Fund is guaranteed by the state. Data on the expenditure of the Employment Fund are presented in Table 7.2.

Table 7.2 Expenditure of the Employment Fund, 1995–1998 (in LTL thousands)

	1995	1996	1997	1998
Funding of active labour market measures	**19,952.6**	**27,868.9**	**40,658.2**	**57,216.0**
Preventive training (job maintenance)	34.1	107.3	283.4	519.4
Vocational training	13,917.4	17,569.3	21,138.4	27,483.6
Public works	2,069.4	4,026.4	5,503.3	12,299.4
Organisation of private business	1,538.6	798.0	623.1	520.0
Support for employment	2,393.1	5,367.9	12,860.0	15,633.9
Surveys and cooperation projects			250.0	759.7
Funding of passive labour market measures (unemployment benefits)	**32,983.7**	**51,802.8**	**49,028.5**	**50,750.2**
Labour market institutions	17,894.0	22,141.3	24,520.0	42,635.0
System of labour exchanges	13,944.0	18,475.0	20,717.0	36,495.0
System of labour market training authorities	2,450.0	3,221.3	3,803.0	6140.0
Surveys and cooperation projects	1,500.0	445.0		
Total	70,830.3	101,813.0	114,206.7	150,601.2
Total - active + passive measures	52,936.3	79,671.7	89,686.7	107,966.2
Percentage for training (Active + passive)	26.4%	22.2%	23.9%	25.9%
Expenditure on training as a percentage of GDP	0.058%	0.056%	0.056%	0,066%

In assessing **future prospects**, it should be pointed out that the budget for 1999 was planned on the basis of unrealistically optimistic forecasts of economic development. The budget is not being implemented as planned. There are proposals to cut expenditure by LTL 480,000,000. It is obvious that there will be a decrease in funding for all economic areas and many planned projects will be difficult to implement or will be implemented at a much later date. As a result of the unsatisfactory economic situation, the income of enterprises is diminishing, which means that the state budget and the Employment Fund revenues will also decrease, and this is likely to have negative consequences for the funding of vocational education and training.

8. Bilateral and multilateral donors' contribution to vocational education and training reform

After independence was restored and extensive changes in social and economic conditions were underway, the mismatch between the former vocational training system and the developing economy based on market principles soon became evident.

However, there were no trained and experienced specialists able to manage a reconstruction of the education system in general and the vocational education and training system in particular. That is why the donor support offered by neighbouring European states and more distant countries was of the utmost importance.

The increasing interest of the other countries in the reform process in Lithuania was given concrete form in a variety of bilateral and multilateral projects (see Bibliography [17]).

Germany has provided tremendous support in the development of the initial vocational education and training system.

Since 1992, the TRANSFORM Consulting Programme of the German Government has been in operation. This programme includes the following:

- a project on the dual vocational education and training of a group of industrial mechanics, carried out in Vilnius Polytechnic School No 2, and in which Vilnius Chamber of Trade, Industry and Crafts, AB "Kuro aparatura" and AB"Graztai" are the main partners;
- the provision of Methodical support in the establishment of the Methodical Centre for Vocational Education and Training (1996) and the Business Incubator Centre in Kaunas (1997-1999); and
- overall intensive support to the Model Vocational Education and Training Centre in Kaunas (1992-1998).

Moreover, on the basis of the Treaty on Cooperation in the Area of Culture signed by the German and Lithuanian Governments in Bonn on 21 July 1993, the Rehabilitative Vocational Training Centre has been established with financial support from the German government. Five years of cooperation with the South Hessen Vocational Training Institution have resulted in the construction and equipment of a modern workshop in the Centre, the provision of equipment for laboratories and student and teacher exchange activities.

Since 1992, a lot of contacts have been established with Denmark, Norway, Sweden, Finland and Canada. Somewhat weaker relations are maintained with Austria, the United Kingdom and the Netherlands. An estimated ECU 4.8 million have been received through bilateral twinning projects initiated by vocational schools and colleges since that time. The projects are usually concerned with curriculum development, the improvement of learning materials and student exchange programmes. Their participation and experience in these projects has encouraged vocational schools and colleges to become actively involved in Leonardo da Vinci Calls for Proposals in the future.

The *European Union Phare Programme* has been the most significant donor since 1993. Several specific programmes, focusing on different areas of education and training, have been supported.

- In 1993-94, a *programme for the development of the system to provide labour market training* for the unemployed was implemented. The Phare Programme provided ECU 2 million for this project, which was also supported by the Government of Denmark. This joint effort made it possible for the Labour Market Training Authority to upgrade the qualifications of trainers in labour market training centres, to provide new equipment for the training centres, to draw up a modular training structure and to design training modules.
- Since 1992, the Tempus programme (ECU 19 million) has provided support to higher education institutions in their efforts to consolidate the national reform of higher education and to prepare for participation in the European Union Socrates and Leonardo programmes. The priorities identified included:
    - restructuring the curricula for medicine and architecture to correspond to the European Union directives in these areas; and
    - improving higher education management systems in the areas of administration, quality control, strategic management of higher education institutions, finance, international contacts, student information centres and libraries.
- From 1996 to 1999, the ***Phare project on the reform of higher*** (university) ***education*** in Lithuania was implemented. There were four working groups involved in this project, focusing on:
    - higher education policy development;
    - quality assurance of higher education programmes;
    - recognition of university diplomas; and
    - management, information and administration.
- The ***Phare multi-country rrogramme on regional cooperation in the area of higher education*** was implemented during 1996 and 1997. The regional Phare programme was designed for 11 participant countries and included such sub-programmes as:
    - education statistics;
    - European integration studies;
    - quality evaluation policy and practice;
    - recognition of university diplomas; and
    - approval of credits for European studies.
- Quality and recognition projects are also implemented in the Centre for Quality Assessment in Higher Education, which took part in two international consortia with partners from European Union Members States and partner countries.
- As a result of the ***Phare multi-country programme in distance education*** (1996-1999), which had a budget of ECU 15 million for all participating countries, a National Centre for Open and Distance Learning and two study centres were set up. The government has given additional funding to the study centre in Kaunas, which has enabled it to take a leading position in open and distance learning. It is planned to fund additional regional centres in Klaipeda, Panevezys, Siauliai and Utena.

- Participation in the ***Staff Development Programme*** provided the opportunity for ten representatives from the Ministry of Education and Science and the Ministry of Social Security and Labour, as well as employers and employees, to take part in a series of study visits to the European Union Member States and to become acquainted with good European Union practices in the management of vocational education and training and the formulation of vocational education and training policy.

- The ***Phare 1994 vocational education and training reform programme*** represented the first significant multilateral aid contribution to the reform of vocational education and training on a system level. This programme, which had a budget of ECU 4.4 million, included the upgrading of 27 different pilot training institutions (vocational schools, colleges and labour market training centres), but had significant indirect effects on the entire system. It was particularly successful in the areas of developing new dynamic curricula, providing teacher training and management courses and upgrading teaching materials and equipment. Considerable advances have been made with regard to the development of the modular programmes: a total of 750 modules were created by the 27 pilot schools and a catalogue of these modules, with descriptive annexes, was prepared. The pilot schools have also developed 300 teaching and learning packages linked to the modules. This information is accumulated in the National Resources Centre, which is widely accessible and available to all teachers.

  On the basis of individual and departmental needs analyses, teacher and management training activities were organised and approximately 450 school representatives were involved in training events (see chapter 2.3.2).

  The programme has also promoted national policy initiatives. Among these, a White Paper on Vocational Education and Training was produced and presented for discussion to the national authorities at the beginning of 1998. The White Paper, which was approved by the National Council on Vocational Education and Training, provides the basis for bringing vocational education and training up to European Union standards. It also includes an implementation plan and budget until 2005, although, this has not yet been ratified by Government. The success of the 1994 programme encouraged the Government to join its successor, Phare'97 (1 MECU). The new programme focuses, mainly, on dissemination of the 1994 programme's results, institutional development and further work on quality assurance and standards.

- ***The European Union Phare higher education reform programme in Lithuania*** (1997-1998) has a 2.2 MECU budget. It was designed to assist the Ministry of Education and Science in:
  - the preparation of an appropriate higher education policy, for the year 2000 and beyond, based on quality management and excellence in higher education institutions and the guarantee of the quality of graduates from both colleges and higher education institutions; and
  - the creation of a reliable and valid assessment system for schools up to the end of second level education, which will have credibility with Lithuanian society, the Lithuanian Higher Education system, the countries of the European Union and other countries.

- The Socrates Programme, which had a budget of ECU 0.28 million for the preparatory measures period, started in Lithuania in 1998. Its purpose is to help improve the quality and relevance of education for all by enhancing European cooperation and increasing access to the range of learning opportunities available across the European Union. Socrates supports activities in a range of sectors through the following sub-programmes:
  - higher education (Erasmus);
  - school education (Comenius);

- promotion of language learning (Lingua);
- open and distance learning (ODL);
- adult education; and
- exchange of information and experience on the education system and policy (Eurydice, Arion, NARIC).

Eleven project proposals, six in Adult education and five in open and distance learning were submitted in response to the 1999 Call for Proposals. Four of these were approved: European Network of Adult Education Organisations Working on Women's Employment Issues; Examen Europaeum; Adult Returners Key Skills; and Integration of adults with disabilities into labour market through open end distance learning.

It is worth emphasising that immediately after independence in 1990, the vocational education and training-management system was obsolete and the need to create a new one was inescapable. With the emergence of the unemployment phenomenon, the creation of a labour market training system was commenced. Although, compared to the 1991 situation, a huge qualitative and quantitative leap has been made in rationalising and improving both the initial and labour market vocational education and training systems, it was not always done without mistakes and misunderstandings.

Lithuania is actively preparing for integration into the European Union. Unfortunately, the inauspicious economic and financial situation during the past year does not permit the implementation of all the crucial reform tasks. For this reason, continued contributions and future assistance form donors is vital to the ongoing reform process.

Key Priority Areas for Future Assistance

Key priority areas for future assistance include:

- development and implementation of a national qualifications framework including the development of occupational qualification standards and a national assessment, certification and quality assurance system covering both vocational education and training and continuing vocational training;
- definition of the roles and responsibilities of national and regional authorities and social partners, respectively, with a view to promoting further decentralisation;
- establishment of an appropriate institutional infrastructure at a regional level and piloting it in one or two regions; and
- inclusion of vulnerable groups into mainstream society, especially young unemployed and disabled persons, through the implementation of pre-European Social Fund type targeted training actions.

Preparation measures for accession

The Special Preparatory Programme for the European Social Fund (SPP-ESF), the preparation of the National Development Plan and participation in Leonardo Da Vinci I and II are all important elements in the preparation for the European Social Fund.

As part of the Special Preparatory Programme for the European Social Fund (September 1998-December 1999) a group of Lithuanian officials from the Ministry of Education and Science and the Ministry of Social Security and Labour participated in a series of targeted seminars on the European Social Fund and European employment strategy. They also took part in study visits to European Union Member States to gain experience on managing European Social Fund programmes. During Spring - Autumn 1999, a series of national and local events with wide participation by central, regional and local governmental officials took place, funded by a EUR 0.7 million budget for all the accession countries. Two additional components of the Special Preparatory Programme-European Social Fund in Lithuania are:

- a Background Study for the Employment Policy Review, in cooperation with the European Commission Directorate General for Employment and Social Affairs and the European Training Foundation, was carried out by the nominated national expert with the collaboration of the National Observatory; and
- the establishment of the Institute of Public Administration, which was nominated as a National Training Centre on the European Social Fund. (see Chapter 3.2).

A ministerial level, interdepartmental working group devoted to preparation of the National Development Plan has been in operation since July 1999.

Participation in Leonardo I and Leonardo II

The European Union Leonardo da Vinci Programme Coordination Support Foundation was founded on 30 May 1997 following an agreement signed by the Ministry of Education and Science and the European Commission General Directorate for Education and Youth. The foundation is a National Coordination Unit (NCU) responsible for implementation of the Leonardo da Vinci programme in Lithuania.

Until 1 November 1998, Lithuania was in the Preparatory Measures phase and, therefore, the main activities of the Foundation were the organisation of measures to enable enterprises, institutions and organisations to get ready for participation in the programme.

On 30 October 1998, the Lithuania European Union Association Council approved participation in the programme and on the 27 November 1998 a Launch Conference was held in Vilnius.

Table 8.1 Statistics on participation in calls for proposals, 1998 and 1999

Project type	Call for proposals 1998		Call for proposals 1999	
	Proposals	Approved	Proposals	Approved
Pilot project	10	6	21	
National placement and exchange	23	19	48	31
Strand II Placement and exchange	0	0	5	
Participation as a partner	25			

Twenty-five Lithuanian institutions are participating as partners in other approved projects.

The results of approved projects of the 1999 Call for Proposals are expected in October/November. It is gratifying to report that, compared with 1998, there were twice as many project proposals submitted and that they were more varied in terms of measures and fields of activities targeted.

Lithuania has already expressed its wish to participate in the second phase of Leonardo and a financial plan for the period 2000-2002 has been prepared by the National Coordinating Unit. Participation in Leonardo II depends on governmental decision and funding and a new Lithuania European Union Association Council resolution.

9. Constraints, challenges and further needs

Since the launch of economic reform, there has been a steady decline in the population as a result of a falling birth rate and emigration. This has, inevitably, resulted in an ageing of the population, a growth in the proportion of non-working age and a steady increase in the proportion classified as inactive. The general economic situation and the cutbacks in production have made the problem of employment and unemployment worse. Notwithstanding this, however, the activity level of the population remains quite high, at 61.5%.

Prior to independence, the majority of the employed population worked in industrial enterprises, agriculture and construction: 30, 18 and 12%, respectively. Privatisation and the development of private business have, naturally, significantly increased the number employed in the private sector. The economic restructuring has brought about major changes in the employment structure with a substantial decrease in the number employed in manufacturing activities and an increase in those employed in services, public administration and the social spheres.

The vocational training system has undergone many changes during the last nine years. Reform started in 1990/91 with the introduction of four-stage programmes in vocational schools, followed, in 1991/92, by the transformation of *technikums* into institutions of post-secondary education providing 2-4 year programmes with a focus on practical skills. During the Soviet period, vocational education institutions were supplied from the centre with ready-made training programmes, plans and materials. Thus, after Lithuania regained its independence, it faced the problem of a lack of methodology and specialists to design and implement a training programme. For this reason, many managerial functions were delegated to schools, including curriculum development, provision of learning materials and organisation of the assessment procedure. Since this gave rise to a great variety of training programmes, the Register of Study and Training programmes was approved in 1996, in order to ensure the recognition, transparency and comparability of qualifications.

At the same time, with unemployment emerging, education reform focused on building the labour market training system. The Labour Exchange was established in 1990, and the Labour Market Training Authority in 1992. These institutions report to the Ministry of Social Security and Labour. Nowadays the system of labour exchange consists of the Labour Exchange and 46 regional labour exchanges. They register the unemployed and provide information services to people looking for jobs. The Labour Market Training Authority is the main partner of the Labour Exchange. They are mandated to arrange vocational training of the unemployed and persons notified of dismissal and to provide advisory and counselling services to the unemployed, students and their parents on issues concerning choice of profession. Six regional labour market training services - in Vilnius, Kaunas, Alytus, Panevezys, Siauliai and Klaipeda - and 14 regional labour market training centres have been established to discharge this function.

Because the initial vocational training and the labour market training systems were too uncoordinated - owing to the division of responsibilities between the Ministries of Education and Science, Social Security and Labour -, the Law on Vocational Education and Training was framed in such a way as to oblige them to coordinate their activities. This Law, which defines the structure, organisation and management system of vocational education and training – both initial and labour market -, was approved in 1997. Since that time, working groups from both the Ministry of Education and Science and the Ministry of Social Security and Labour have worked jointly on the preparation and coordination of the implementing regulations for vocational education and training legislation. Furthermore, the cooperation of both ministries and their subdivisions has been enhanced by the 1994 Phare Vocational Education and Training Reform Programme, which started in 1995. About 20% of all vocational education and training institutions - 12 vocational schools, 12 college-type schools and 3 labour market training centres - were directly involved into the process of reform of such aspects as curriculum development, teacher and management training, upgrading of teaching equipment and the assessment procedure. An active dissemination programme of the results achieved has been launched, with financial support from the Ministry of Education and Science and the follow up Phare programme, to reinforce the present network of 104 vocational schools and 70 colleges. No labour market training centre participated in Phare 1997.

In an effort to improve the transparency and comparability of qualifications and influenced by the Phare Programme, the Ministry of Education and Science began the process of curriculum standardisation. The development of occupational standards was delegated to the Labour Market Training Authority and the Methodical Centre for Vocational Education and Training was mandated to develop vocational training standards. Although the national Classification of Occupations prepared by the Labour Market Training Authority was approved only in summer 1999, and the structure of occupational standards has not been ratified yet, the vocational training standard model was approved in 1998 and 4 vocational standards were ratified in mid-1999.

To ensure that supply of qualified personnel matched labour market demand, interaction between the vocational education and training system and the labour market was established on four levels:

- the national level, through the Vocational Education and Training Council;
- the branch level, through industrial sector Lead Bodies;
- the institutional level; and
- the assessment level.

Rigorous sectoral analysis is a crucial factor in identifying professions and qualifications in demand and must be accompanied by a consistent standard development process. Unfortunately, sectoral labour market research is extremely limited and is, mostly, carried out by the state services, only. As the users of vocational education and training output, employers, in particular, ought to be closely involved with the training system, since the success of business depends on the qualifications and skills of employees. Frequently, however, employers complain that graduates of the initial vocational education and training schools are not ready to perform actual work and that they lack communication, self-starter and management skills. At the same time, employer organisations are, usually, unable or unwilling to formulate general qualification requirements for the vocational education and training system. Therefore, although the legislative conditions for substantial involvement of the social partners at all levels are in place, its implementation still needs to be promoted.

The creation of the occupational and vocational training standards system is only a part of the development of a national qualification framework, which, in addition, should include a national assessment, certification and quality assurance system covering both initial and labour market vocational education and training. The need to develop the national qualification framework is appreciated but some action needs to be taken to start this process. Nowadays, the objective is to delegate assessment and certification in vocational and college-type schools to the Chambers of Trade, Commerce and Crafts, to the maximum extent possible. However, this practice is more established in the labour market training centres and quality assurance has not yet been properly integrated into the overall system. The 1997 Phare Vocational Education and Training Reform Programme partly addresses this issue but on a policy development rather than a practical basis.

The development of the national qualification framework as a system is a state-level responsibility and is determined at ministerial level. However, the Ministry of Social Security and Labour does not have a department in charge of vocational training issues and this leaves the Labour Market Training Authority to perform both policy-making and executive functions. On occasion, strategic planning is quite fragmented and, accordingly, does not provide a sound basis for developing a coherent overall policy. In fact, as yet, no state education body has responsibility for state human resources development strategy.

Today, continuing vocational training is offered by several different training institutions: labour market training centres; vocational, college-type and higher schools; in-company training courses; and private training courses. In 1998, 14,569 unemployed persons - 7.1% of all who registered at a labour exchange were trained in labour market training centres. Some 17,442 employees were also trained, on the request of their employers. Forty-nine vocational schools, 26 colleges and 13 universities provided retraining courses for a total of 28,819 persons in 1998. Overall, there are about 500 licensed training providers active on the training market, providing 110,000 course places. Only part of such training is formalised, i.e., according to programmes set out in the Register of Study and Training Programmes. Most private training institutions use training programmes and/or modules which are created and adapted to meet employers' rapidly changing requirements and are not formally approved. At present, there is no system of accreditation of continuing training providers. There is an urgent need to establish a quality assurance system for continuing training, including improved assessment mechanisms.

Since 1997, in an effort to make labour market training more flexible and adapted to client and employer requirements, the labour market training system - i.e., the Labour Market Training Authority and its labour market training centres -, has been trying to change over to a modular training structure. However, the modular training system has still not come into operation, as the implementing regulations have not yet been prepared.

Training for employed staff remains the responsibility of the individual and the employer. There are several areas, such as state institutions, banking, health care, education, energy etc., where there is a high level of continuing vocational training owing to the initiative of the relevant state structures. Information on continuing vocational training in enterprises is uneven, since traditional statistics gathering does not yield this type of information.

Some companies provide training for their top- and middle-level managers, partly through in-company training and partly through attendance at extra-mural management training courses. Two institutions, the Kaunas University of Technology Business Training Centre and the Business Management Institute, have recently started to offer Executive Master of Business Administration courses for these categories of staff.

Development of distance education, as one of the forms of continuing adult education, started in 1994 through the Phare Multi-country Distance Education Programme. A National Centre for Open and Distance Learning and two study centres have now been established. Additional government funding for the study centre in Kaunas has enabled it to take a leading position in open and distance learning. The current open and distance learning situation cannot be pronounced as satisfactory while its availability is so limited, although, if plans for additional regional centres in Klaipeda, Panevezys, Siaulai and Utena go ahead, that will be a big improvement. At present, however, open and distance learning is geared mainly for those who are seeking the higher education diploma.

The labour market situation is additionally problematic since there are about 100,000 persons, the majority under 25 years old, who have no formal professional qualifications at all. Some have not completed the basic education programmes which is the entry requirement for the labour market training programmes financed by the state. The same measures were applied to integrate these young persons into the labour market as for other groups of the unemployed. The Labour Exchange managed to increase the participation of the long-term unemployed in active labour market programmes, especially public works, but placing the long-term unemployed in regular jobs remains a major problem. Support for measures promoting inclusion of vulnerable groups - disabled, long-term and young unemployed - into mainstream society is a great need. It is hoped that the implementation of pre-European Social Fund type targeted training actions will improve the situation.

The regional authorities have a very limited role in the creation or coordination of a regional strategy for vocational education and training and employment, and for promoting economic and social cohesion at local level. This makes matters particularly difficult since the absence of a clearly defined policy for the creation of jobs in rural areas means that regional vocational and college-type schools don't know what kind of specialists to train. Sectoral and regional analyses are needed but, ultimately, there is little likelihood of meaningful decentralisation of vocational education and training unless an institutional infrastructure with a strong and clear vision of further activities is put in place.

The bias of influential senior academic circles towards excessively academic training tends to confirm the inherited anti-vocational training prejudices of the wider society. This issue needs to be tackled because there can be no doubt that the low public prestige of vocational training is impeding the process of reform.

List of Acronyms and Abbreviations

CVT	Continuing vocational training
DS	Department of Statistics
ESF	European Social Fund
ETF	European Training Foundation
EU	European Union
FDI	Foreign direct investment
GDP	Gross domestic product
GNP	Gross national product
HERIL	Higher Education Reform in Lithuania
ILO	International Labour Organisation
ISCED	International Standard Classification of Education
ISCO	International Standard Classification of Occupations
LFMI	Lithuanian Free Market Institute
LFS	Labour Force Survey
LLE	Lithuanian Labour Exchange
LLMTA	Lithuanian Labour Market Training Authority
LPAU	Law and Public Administration University
LTL	Litas (National currency of Lithuania)
MA	the Ministry of Agriculture
MES	the Ministry of Education and Science
MLS	Minimum Living Standard
MoH	the Ministry of Health
MoI	the Ministry of Interior
MoT	the Ministry of Transport
MPARLA	the Ministry of Public Administration Reforms and Local Authorities
MSSL	the Ministry of Social Security and Labour
NO	National Observatory
NSG	National Standards Group
OECD	Organisation for Economic Cooperation and Development
PMU	Programme Management Unit
SME	Small and Medium Enterprises
SPP	Special Preparatory Programme
VAT	Value-added tax
VET	Vocational education and training
VMU	Vytautas Magnus University
VU	Vilnius University

Glossary of terms

Unemployed	■ *The International Labour Organisation* defines 'an unemployed person', as a person aged 14 years and over, who: does not have a job; is ready to start to work if a job were found; and has been intensively seeking work, i. e., has applied at public and private labour exchanges, contacted employers directly, asked friends and relatives for help, called at construction sites, markets, unofficial labour exchanges etc. ■ *The Law on the Support for the Unemployed* defines 'an unemployed person', as a non-working able-bodied person of a working age not studying in a day-time education institution, who has registered according to their place of residence in a state labour exchange as seeking a job and ready for vocational training.
Competent institutions	The Chamber of Trade, Industry and Crafts, Agriculture or another Government-authorised institution, performing the functions of regulation of vocational education and training, established by the relevant Law.
Social Partners	Organisations representing the interests of employers and employees engaged along with the state administrative institutions in the performance of the functions established by the relevant Law.
Labour force	Refers to the total employed and unemployed population.
Unemployment rate	The ratio of unemployed to the labour force.
Distance learning	Structured learning activities, which take place away from an institutional centre of education and training. It includes any form of learning in which the teachers and the learners are in separate places.
Labour force activity rate	A percentage ratio of the economically active population (labour force) of an age group under survey and the total population on that age group.
Employment programmes	Active labour market policy measures are measures related to the search for work. The main objective of these programmes is to assist persons who are looking for work.
Assessment	The process used to gather and interpret evidence of an individual's learning achievements and competence.
Quality assurance	Seeking to install and maintain procedures to monitor and maintain quality so that the product will meet the needs of customers.
Qualification certificates recognised by the state	Documents certifying the completion of a certain vocational training programme in accordance with the requirements of the Register of Study and Training Programmes.
Minimum standard of living	Amount of household monthly income per member, at the minimum socially acceptable level capable of satisfying nutritional needs of the human body according to physiological norms and of satisfying minimum needs for clothing, footwear, furniture, household, sanitary, and hygiene articles, housing, public utilities, transport, communication, culture and education services. The Government sets and approves the applied minimum standard of living, which is, at present, lower than the calculated minimum standard of living.

Module	Denotes a part of a subject being taught, which provides the student with information of a certain level and scale.
Initial vocational education and training	Denotes a component of the system of education, which creates an opportunity for persons not having a vocational education to acquire a vocation in accordance with the conditions defined in the Register of Study and Training Programmes.
Occupational standards	Measures of the extent to which an individual can meet performance demands. National occupational standards are those set for all those employed in specific work within a sector.
Vocational standards	Measures of the readiness of an individual to enter a vocational area or to advance to a higher level within a vocational area. National vocational standards are those set for all practitioners within a vocation in a country.
Vocational education and training	Refers to education and training whose purpose is to train individuals for an occupation or to retrain them.
Continuing vocational education and training	Education and training which updates or enhances the knowledge and skills learned in basic education. The emphasis is on the idea that education in its true form continues throughout life.
·Employed	All persons working in enterprises, institutions and organisations and the military service. The employed group consists also of persons who did not break official ties with the workplace, though not working during the reporting period because of diseases, illness, care of ill persons, annual and/or unpaid vacations, idle time.
Employers	The owners of all kinds of enterprises working separately or with one or several partners in their own enterprise who hire workers for longer than 3 months and holding the controlling ownership of the enterprise (having the right to private property).
Employees	Are persons who make a written or oral labour contract with the enterprise (an enterprise can be an individual, a public or stock company, a partnership, a public institution), according to which he will be paid the agreed sum of money for the work fulfilled, irrespective of the income of the enterprise.
Employment rate	The ratio of the employed population to the population of working age and over.
Practical training	The development of vocational skills at a vocational education and training institution and/or enterprises.
Qualification requirements	Occupational requirements established by a competent institution within the vocational training process.
Gross domestic product (GDP)	The total value of the goods and services produced within a country in a single year. The gross domestic product is estimated as a sum of value added by every kind of activity, i.e., gross output less intermediate consumption.
Job clubs	Facilitate the search for work, keep the unemployed acquainted with active forms of search, provide useful information etc.
Public (socially useful) works	Works carried out in the public sector, seeking to give a job, temporarily, to the long-term unemployed.

Major organisations

Organisation	Address	Telephone, fax	E-mail, Internet
The Ministry of Education and Science	Volano 2/7, Vilnius, LT-2691	t. +370 2 612 025 f. +370 2 612 077	
The Ministry of Social Security and Labour	Vivulskio 11, Vilnius, LT-2693	t. +370 2 611 206 f. +370 2 652 463	
Labour Market Training Authority	Vivulskio 5, Vilnius, LT-2693	t. +370 2 652 637 f. +370 2 652 538	tomasjov@is.lt http://www.ldrmt.lt
The Ministry of Agriculture	Gedimino pr. 19, Vilnius, LT-2025	t. +370 2 625 438 f. +370 2 224 440	
The Ministry of the Interior	Sventaragio 2, Vilnius, LT-2754	t. +370 2 625 752 f. +370 2 615 030	
Phare PMU	Volano 2/7, Vilnius, LTL-2691	t. +370 2 612 025 f. +370 2 612 077	grazinak@auste.elnet.lt http://www.phare.lt
Labour Exchange	Saltoniskiu 19, Vilnius, LT-2600	t. +370 2 240 697 f. +370 2 750 159	
Vocational Education and Training Studies Centre at Vytautas Magnus University	K. Donelaicio 52,Kaunas, LT-3000	t. +370 7 201 533 f. +370 7 227 332	rimantas_lauzackas@fc.vdu.lt
Institute of Labour and Social Research	Rinktines 48, Vilnius, LT-2005	t. +370 2 734 779 f. +370 2 752 113	Boguslavas.Gruzevskis@dsti.lt
Methodical Centre for Vocational Education and Training	Gelezinio vilko 12, Vilnius, LT-2600	t. +370 2 250 182 f. +370 2 250 183	pmmc@taide.lt
National Observatory	Gelezinio vilko 12, Vilnius, LT-2600	t. +370 2 250 185 f. +370 2 250 183	pmit@pmmc.elnet.lt http://www.eu.etf.int/no.lt
Association of Adult Education	Gelezinio vilko 12, Vilnius, LT-2600	t. +370 2 619 031	
Centre of Distance Education	Didlaukio 82, Vilnius, LT-2057	t. +370 2 657 690 f. +370 2 657 550	editsal@ktl.mii.lt
Information and Forecasting Centre (the Ministry of Education and Science)	Suvalku 1, Vilnius, LT-2600	t. +370 2 232 700 f. +370 2 651 684	
Kaunas Chamber of Industry, Commerce and Crafts	Donelaicio 8, Kaunas, LT-3000	t. +370 7 201 294 f. +370 7 208 330	

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23. http://www_public.osf.lt/pub.rimj - Institute of Labour and Social Research
24. http://www.ldrmt.lt - Labour Market Training Authority
25. http://www.etf.eu.int - European Training Foundation
26. http://www.undp.lt - UNDP
27. http://www.phare.lt - Phare Programme in Lithuania
28. http://www.pikselis.lt/leonardo/ - Leonardo da Vinci Programme in Lithuania
29. http://www.skvc.lt - Lithuanian Centre for Quality Assessment in Higher Education
30. http://www.lrinka .lt – Lithuanian Free Market Institute

List of in-depth studies

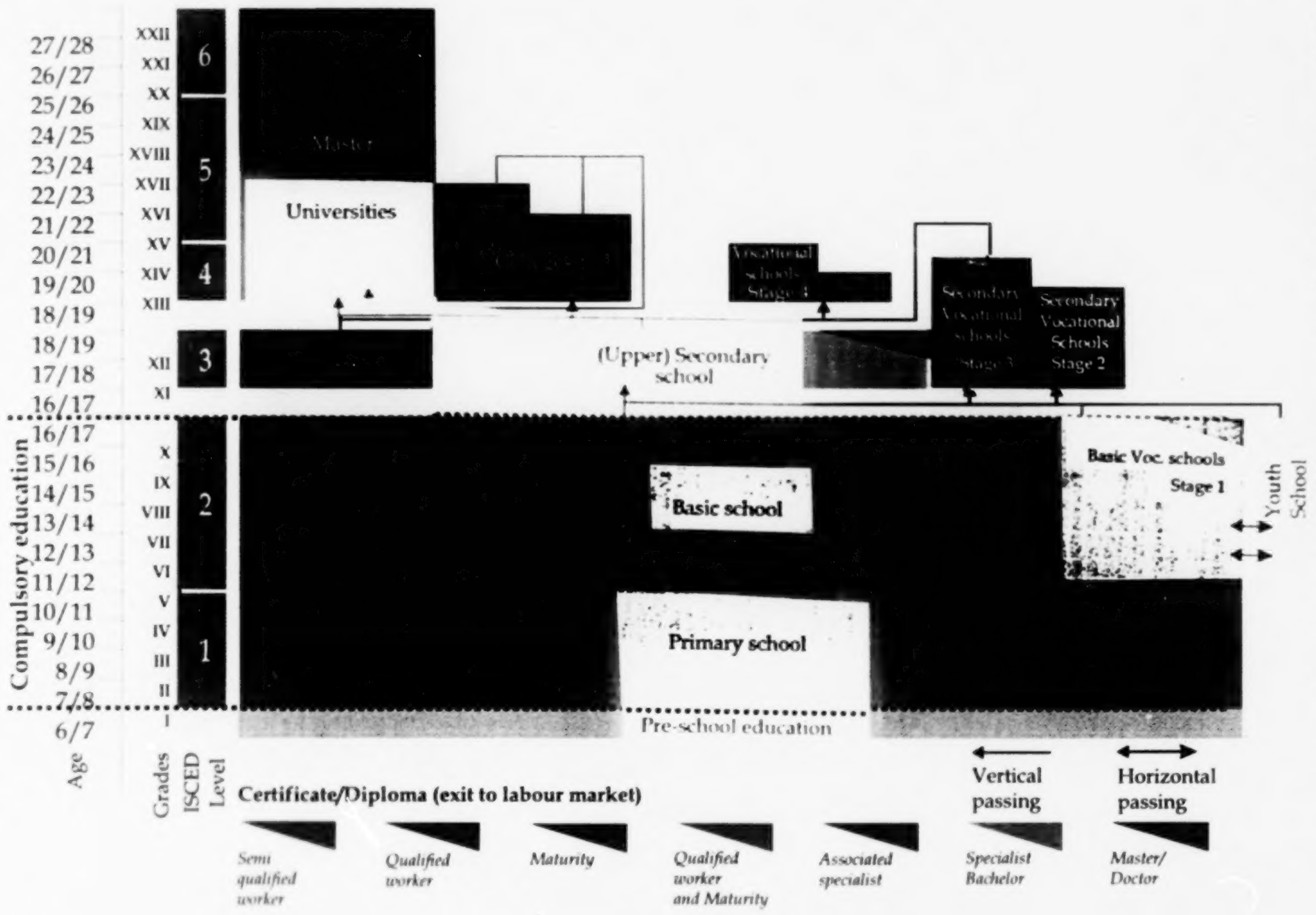
Evolution of Small Business in Lithuania and Impact of Education System Upon Its Development. National Observatory, Vilnius, 1997.	Success in business depends, largely, on a successfully functioning market economy. Business skills and knowledge, financial support, improvement of training and advisory services for entrepreneurs, opportunities to receive foreign aid in addressing different problems, are all crucial to business development. The study describes and analyses the present situation in small and medium sized enterprises and the impact of the education system on the development of small business and training services by private companies in improving the qualifications of their personnel. It reviews perspectives for small and medium-sized enterprises, a potential development strategy and the critical tasks for the future, and recommendations to speed up development of training and upgrading of qualification in small enterprises.
The Role of Social Partners in Vocational Education and Training Development. National Observatory, Vilnius, 1997.	A major problem in the development of the vocational education and training system is the uncertainty of economic prospects, which is typical of countries in the process of transition. Research carried out by the Institute of Labour and Social Research in 1995-1996 shows that many directors of Lithuanian companies have only a very vague vision of their future. In such a situation a close relationship between vocational training institutions and the social partners is the only possible tool to ensure the correspondence of trained specialists to the needs of the economy. The structure of this Report follows a Questionnaire on Social Partnership prepared with European Training Foundation experts. The report briefly describes: • the main structures which have developed following the principles of social partnership, including their establishment and functioning; areas of social dialogue; • Phare projects implemented in the area and cooperation with foreign partners; • participation by the social partners in the development of the vocational education and training system; and • conclusions and recommendations which could increase the role of the social partners in the vocational education and training system.
In-depth study on Continuing Vocational Training in Lithuania. National Observatory, Vilnius, 1998.	The study was prepared according to the framework proposed by the European Training Foundation. The existing information on continuing vocational training was collected, the information was analysed, the most visible gaps identified and the first draft was prepared. To fill gaps, a survey was carried out on the situation in the field of continuing vocational training in small and medium-sized enterprises and a final in-depth study report was prepared. The study describes and analyses: • the state of play of continuing vocational training in general; • barriers to enhanced continuing vocational training; • outline of initiatives launched by international donors; • national policy; • continuing vocational training as part of an active labour market policy;

	• training in and for enterprises; • the focus on the individual; • concrete contexts where possible projects could start development processes; and • conclusions and recommendations.
Teachers/Trainers Training (TTT) in Lithuania. National Observatory, - Vilnius, 1998.	The report, written by the national experts of the Vocational Education and Training Studies Centre at the Vytautas Magnus University, is based on the list of contents for the country survey on the training of vocational education teachers/trainers, which was prepared by the European Training Foundation. The report describes and analyses: • basic information on vocational teacher/trainer training; • the legal basis, funding and governance; • the status of teacher/trainer training institutions, their research facilities and qualifications of staff; • entry requirements for teaching/training and admission; • curricula, methods of teaching and learning and examinations; • links between teacher/trainer training and the employment system; • implementation of reform since 1990; and • recent reform debates and efforts and expected future developments.
Case Study on Regulated Professions. (May - June 1998)	The "Case Study on Regulated Professions " project was initiated by the European Training Foundation at the end of 1997. The project leader participated in the training seminar organised by the European Training Foundation in Turin on 20-23 January 1998. The "Case Study on Regulated Professions " contains: • an illustrative list of the regulated professions or professional activities covered by the Directive 92/51/EEC; • an overview of the legal framework regulating the above professions (laws, regulations, administrative provisions); • an outline of the conditions and requirements for access to and practice of these professions; • a detailed description of the nature of the above requirements, with specific reference to duration and content (theoretical and practical) of education and training; • an inventory of the competent authorities involved in the regulation and supervision of the professions, as well as their main role and competence; • information on the existing rules governing the taking up or the pursuit of the regulated professional activities; • a description of the scope of the field of activities covered by these professions; • information on the general trends governing the regulation (or deregulation) of professional activities falling within the scope of the Directive 92/51/EEC during the last six years; and • related recommendations. This study stimulated moves to systemise information on the different vocational education and training-related institutions and provided a detailed overview of the actual situation regarding the educational and professional requirements for the practice of the regulated professions and professional activities covered by the Council Directive 92/51/EEC.

Case study: National and International Projects in Lithuania. National Observatory, - Vilnius, 1998.	This study is a first attempt of the National Observatory to gather, to systemise and to analyse data on the overall support for the development of the education system. The information presented in this report was provided by the experts from different institutions at the end of December 1998 The case study provides information on: • the TRANSFORM project, the Phare Vocational Education and Training Reform Programme, and a survey on bilateral/multilateral activities in initial vocational education and training; • the National Observatory; • special projects within the vocational education and training system; • overview of international donors' initiatives in labour market training; • higher education reform; • national and international projects in distance education; • donors' activities to support higher education; • Leonardo da Vinci Programme; and • projects initiated by the Open Society Fund – Lithuania.

Annex A Education sistem in Lithuania

This diagram represents the first stage in the ongoing development of a standard graphical model for vocational education and training systems. Future refinement may include the further alignment of terms, student enrolment and dropout figures, and local language terms.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Grades
ISCED Level
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5
4
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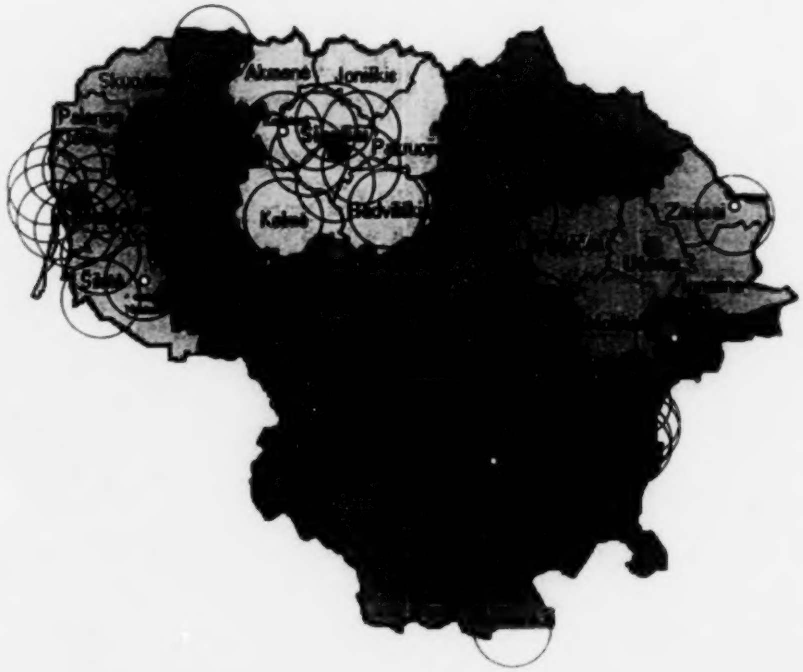
2
1
Master
Universities
Vocational schools Stage 4
Secondary Vocational Schools Stage 3
Secondary Vocational Schools Stage 2
(Upper) Secondary school
Basic Voc. schools Stage 1
Youth School
Basic school
Primary school
Pre-school education
Certificate/Diploma (exit to labour market)
Vertical passing
Horizontal passing
Semi qualified worker
Qualified worker
Maturity
Qualified worker and Maturity
Associated specialist
Specialist Bachelor
Master/ Doctor

Annex B Location of vocational schools under the Ministry of Education and Science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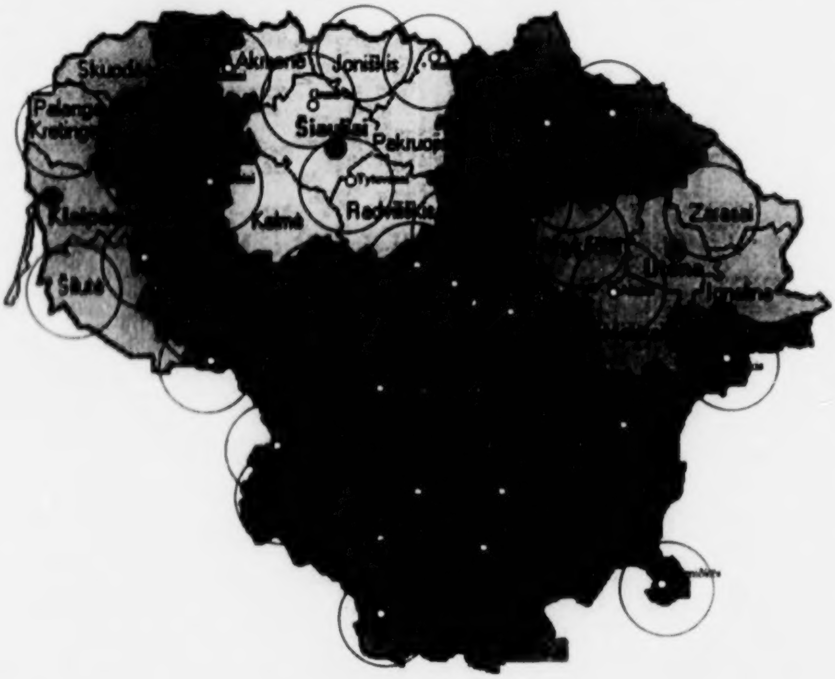
Annex C Location of agricultural vocational schools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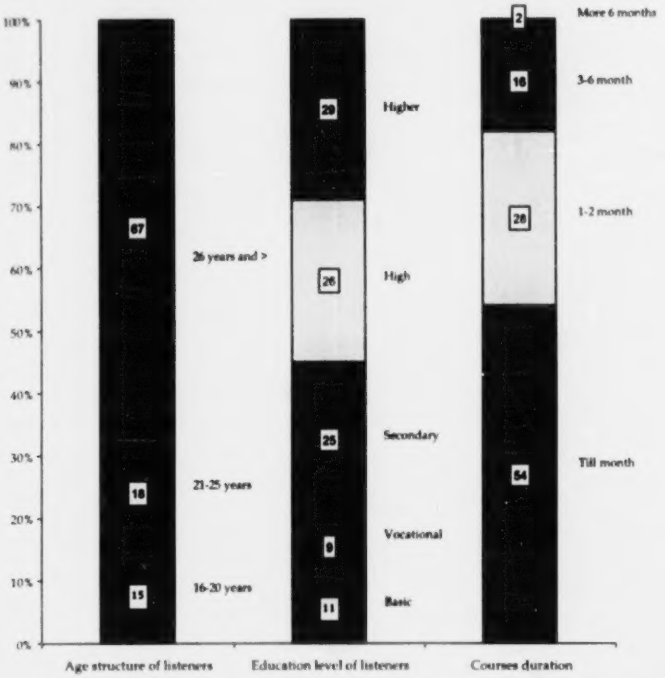
Annex D Age structure, education level of listeners and courses duration in 1998



Annex E Most popular specialities at vocational schools

1	2	3	4	5	6	7	8	9	10	11	12	13	14
Eil.Nr	Qualification (speciality)	VET level	Stage of training	Length of programme /years	Type of acquiring the qualification	Type of diploma	Evaluating body		Continuity of programme		Number of schools offering the specialities		Notes
							School	Social partners	College type	Higher	State funded	Private	
1.	Tailor	III	III IV	4 2	Full-time	Diploma of profession	+	+	+	-	20	-	
2.	Decorator	"	III	4	"	"	+	+	-	-	15	-	
3.	Joiner	"	III	3,5 - 4	"	"	+	+	+	-	18	-	
4.	Builder	"	III	3,5 - 4	"	"	+	+	+	-	10	-	
5.	Furniture maker	"	III	4	"	"	+	+	+	-	10	-	
6.	Bricklayer, concreter, plasterer	"	II	3 - 3,5	"	"	+	+	-	-	7	-	
7.	Stitcher	"	III	3	"	"	+	+	+	-	4	-	
8.	Secretary	"	III IV	4 1,5	"	"	+	+	+	+	10	-	
9.	Electro-mechanic of electric equipment	"	III	4	"	"	+	+	+	-	12	-	
10.	Automechanic	"	III	4	"	"	+	+	+	-	14	-	
11.	Metal processing (machine)	"	II	3,5	"	"	+	+	+	-	4	-	
12.	Welder	"	III	3,5 - 4	"	"	+	+	-	-	4	-	
13.	Food making	"	III IV	4 1,5	"	"	+	+	+	+	14	-	
14.	Waiter, cook	"	III IV	4 2	"	"	+	+	+	-	6	-	
15.	Hairdresser	"	III IV	4 IV	"	"	+	+	+	-	10	-	
16.	Household economist	"	III	4	"	"	+	+	+	-	41	-	agricult
17.	Household master	"	III	4	"	"	+	+	+	-	22	-	agricult
18.	Enterprise merchant	"	III IV	4 2	"	"	+	+	+	+	5	-	
19.	Footwear maker	"	III	4	"	"	+	+	-	?	4	-	
20.	Small business organiser	"	III IV	4 2	"	"	+	+	+	?	10	-	
21.	Saleswoman and expert of commodities	"	III	4	"	"	+	+	+	?	7	-	
22.	Agricultural technician	"	II	3,5	"	"	+	+	-	-	27	-	agricult
23.	Farmer	"	II	3,5	"	"	+	+	-	-	22	-	agricult
24.	Textile art works	"	III	4	"	"	+	+	+	-	4	-	
25.	Office merchant	"	IV	2	"	"	+	+	+	+	6	-	
26.	Trade merchant	"	IV	2	"	"	+	+	+	+	6	-	
27.	Waiter and bartender	"	III	4	"	"	+	+	+	-	7	-	

Annex F Most popular specialities at college-type schools

Eil Nr	Qualification (speciality)	VET level	Type of acquiring the qualification	Type of diploma	Evaluating body		Continuity of programme	Number of schools offering training of the speciality	
					School	Employers	Higher school	State funded	Private
1.	Enterprise administrator	IV	Full-time Evening Part-time	College-type school diploma	+	+	+	6	5
2.	Business administrator	"	Full-time Part-time	"	+	+	+	5	6
3.	Accountancy	"	Full-time Part-time	"	+	+	+	12	-
4.	Nursing	"	Full-time	"	+	+	+	6	-
5.	Kinesytherapy	"	Full-time	"	+	+	-	5	-
6.	Technical Service and Repairs of Cars	"	Full-time Part-time	"	+	+	-	10	-
7.	Comerce of Agricultural	"	Full-time	"	+	+	-	7	-
8.	Music Teacher Training	"	Full-time	"	+	+	+	7	-
9.	English Language	"	Full-time	"	+	+	+	5	-